

GROWING MARICOPA

an
ECONOMIC DEVELOPMENT STRATEGIC PLAN



for the
CITY OF MARICOPA

June 2011



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About TIP Strategies

TIP Strategies, Inc. (TIP) is a privately held Austin-based business and economic development consulting firm committed to providing quality solutions for both public and private-sector clients.

Established in 1995, the firm's areas of practice include economic development consulting, strategic planning, site selection, economic impact analysis, regional economic development, target industry analysis, cluster analysis, technology audit, transit-oriented development, workforce analysis, feasibility studies, market analysis, and redevelopment analysis and planning.

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EXECUTIVE SUMMARY

The City of Maricopa occupies an unusual position in the greater Phoenix area. It has been one of the most rapidly growing communities in the country, increasing from 1,500 residents in the year 2000 to 43,482 a decade later. This is astonishing growth by any standards. A closer look, however, reveals a more complicated picture. While the first seven years of the last decade showed explosive growth, it rapidly tapered off after 2007. Phoenix was one of the hottest housing markets during a period of extremely rapid national economic expansion; however, the nation's growth during this period was unsustainable. Retail and construction jobs were created at unprecedented levels, fueling a boom in housing that was compromised by unsound lending practices. The aftermath of the bust is still very much around us.

Maricopa was one of the greatest beneficiaries of housing expansion and is potentially one of its greatest victims. As a premier bedroom community, it features stable and attractive neighborhoods and a highly educated workforce. On the other hand, the amenities typically associated with more established communities are still a work-in-progress.

These factors all contribute to the economic development challenge posed by this project. There has been no shortage of planning efforts over the last decade, all of which revolve around the central theme of creating a sustainable employment base. "Sustainable" really implies two things: that wages are minimally at a par with those of the region and, secondly, that the jobs are free of the cyclical vulnerabilities of construction, tourism, and (to a lesser degree) retail. The bottom line remains that Maricopa's future as something more than a bedroom community depends on the ability to attract and retain primary jobs. **This challenge can only be met by recognizing that traditional business recruitment alone cannot provide the opportunities sought by the City.** More is required. The strategies laid out in this plan provide guidance both for established economic development goals, as well as those that require a more holistic approach.

The goals of the plan – and for economic development in Maricopa – are as follows:

Goal One: To be a regional leader in economic development with properly aligned resources and tools.



Goal Two: To be a community recognized by site selectors and companies in target industries as having a high quality real estate product.

Goal Three: To have effective marketing that positions the community as a top of mind destination for new investment opportunities among key target sectors and audiences.

Goal Four: To be known as a community with a unique quality of place with the region.

The first two goals acknowledge that while vision precedes action, both are constrained by the lack of adequate capacity to attract and grow business. The fundamentals of business growth have remained the same after the recession as before – in fact, they have been put into sharper focus. While job growth has been anemic, the demand for skilled labor has grown. At the same time, an adequate supply of quality sites and buildings remains essential. Incentives have also grown in importance. With the limitations imposed by the State of Arizona, and Maricopa's emphasis on residential development, a new and more creative model must be put into place. In short, Maricopa must be willing to develop the necessary sites and buildings that will transform it from a suburban community to an employment center.

The strategies that reflect these goals are both specific and, of necessity, long term. They begin with recognition of where investment is already occurring (municipal center, health care, higher education) and extend to commercial office space and flex/tech space. What needs to be emphasized is that **there is no quick fix for attracting and developing employment opportunities for skilled workers in Maricopa**. While we share the optimism of many in the community, action must be grounded in a determined effort to build capacity. That is why a portion of the third goal (essentially the external marketing strategy) should not be launched until there is additional product development. The benefit of promoting and enhancing Maricopa's quality of place, however, is a local and regional initiative and can begin immediately.



Definitions

Economic development is defined in many different ways, depending upon the perspective of the individual or organization. For the purposes of this Strategic Plan, it is important to establish a clear understanding of the term ‘Economic Development’ as it will be used in this document. In addition, it is equally important to delineate between other critical elements such as entrepreneurs, small business startups, business retention, and business attraction.

Economic Development: There is no singularly accepted definition for economic development even among economic development organizations. For this plan, we are considering economic development in a manner consistent with the International Economic Development Council’s adopted definition, which states that “Economic development can be defined as a program, group of policies, or activity that seeks to improve the economic well-being and quality of life for a community by creating and retaining jobs that facilitate growth and provide a stable tax base.” In addition, it is important to specify that efforts in economic growth as outlined in this plan will all be designed to grow base industry jobs to bring new wealth to the community and improve the overall quality of life.

Base Industry Jobs: Also known as “export” or “primary” industries, base industries sell or export their products and services outside the community and bring new dollars in. This is contrasted with non-base industries that offer goods and products within the community such as retail and service providers.

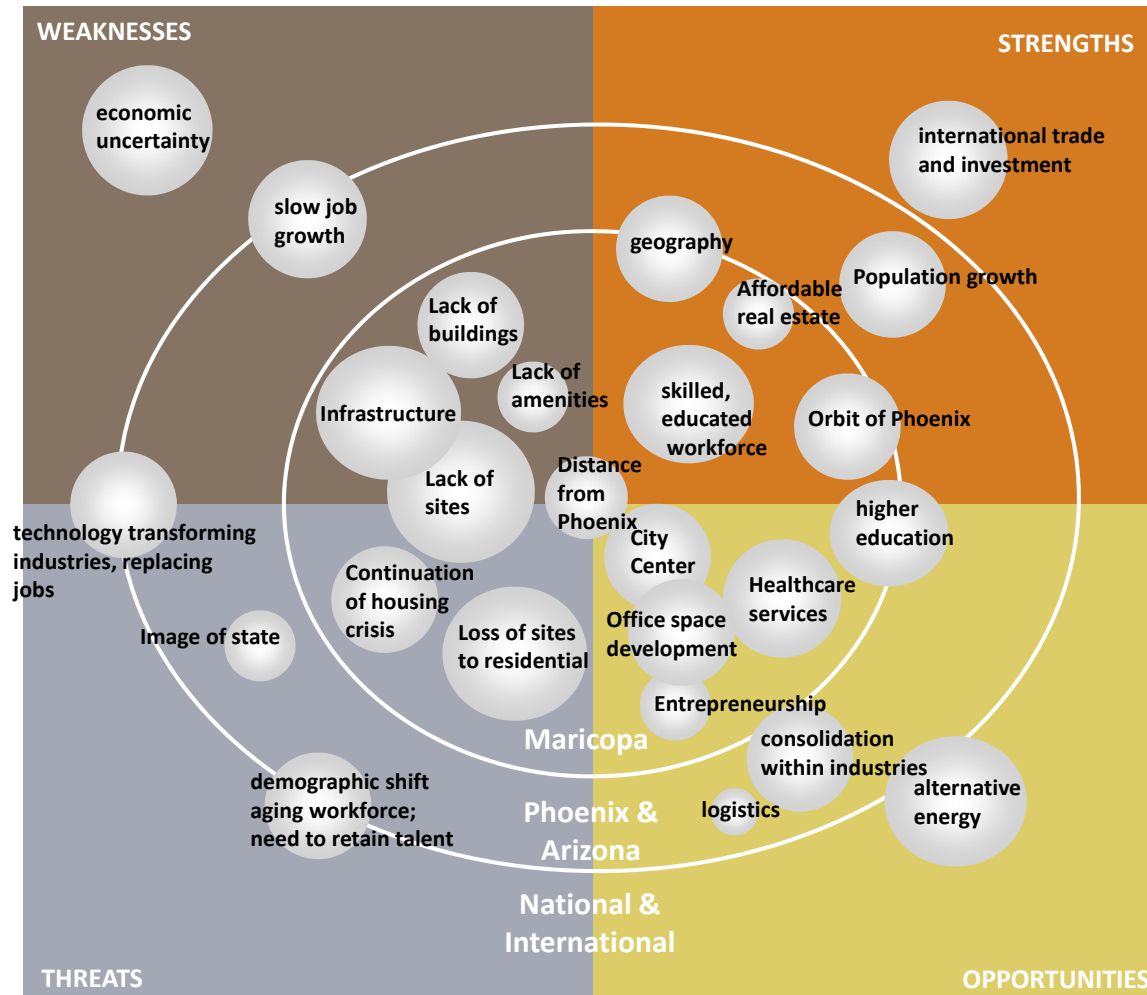
Small Business: Most local businesses, by definition, are small businesses. They are the backbone of our community. Small businesses are employers, tax revenue generators, community supporters and often volunteers, residents and property owners. They start with very little capital. Many small businesses and business owners are also entrepreneurs; however, for the purposes of this Strategic Plan this term is not mutually exclusive.

Entrepreneur: Entrepreneurs and small business startups often go hand in hand. Discussions in this Strategic Plan referring to development of entrepreneurial strategies will focus on individuals who are motivated to expand and grow their businesses into something more than a family-oriented company. Their businesses are often highly innovative and are

export-oriented, with customers beyond their local market. They are also generally very capital intensive, technology driven, and hold some type of intellectual property upon which the business concept is based.

SWOT

A broad cross-section of citizens and interest groups informed the content, along with a comprehensive data analysis conducted by TIP. Based on this work, TIP assembled a SWOT analysis for the community (strengths, weaknesses, opportunities, and threats), which provided the foundation for this plan. The specific elements of the following SWOT chart are described throughout the assessment and in the body of the report.



Priority recommendations

In spite of significant challenges, TIP believes Maricopa enjoys substantial opportunities for garnering private sector investment. Based on our experience working in similar communities across the country, interviews and focus group meetings with local and regional stakeholders, the public forum held January 19, 2011, our assessment of unique local and regional socioeconomic conditions, and our knowledge of national trends, TIP has identified the following economic development opportunities:

PRODUCT DEVELOPMENT >> While the current real estate situation can be seen as a weakness to the community's business recruitment efforts, these down-market conditions should be treated as an opportunity to improve Maricopa's economic development position. Due to lower real estate and construction costs, there is no better time than the present for Maricopa to invest and influence development patterns. The range of options for such "market intervention" can vary widely – from the design, development, ownership, and management of a building and/or business park to the stimulation of private development investment through the use of public inducements (e.g., property transfer, streamlined permitting, tax abatements) or other public/private partnership arrangements. Regardless of scope, TIP is convinced that providing a "place to do business" in Maricopa would improve the community's economic development competitiveness.

ENTREPRENEURSHIP >> Tapping into the community's existing talent base for business growth is an obvious opportunity for Maricopa. In our interviews with community stakeholders, TIP was repeatedly told that home-based enterprises throughout the city have high growth potential. Moreover, interviews revealed that much of Maricopa's professional talent commute to jobs closer to Phoenix. According to the 2009 Labor Survey conducted for the City, a large portion of workers are employed in technical services occupations, such as engineering and computer programming. Major employers cited in the survey included several high tech heavyweights, such as Freescale, General Dynamics, Honeywell, and Intel. Given the opportunity, many of these highly skilled and educated workers could offer the community a path to growth through innovative entrepreneurship. For example, the survey states that 87 percent of the city's commuting population would be willing to work in Maricopa. In addition to the commuting population, Maricopa may also have a unique opportunity to gain advantages from its growing professional retiree population to serve as

Interviews & focus groups

- Ak-Chin Indian Community
- Arizona Commerce Authority
- Arizona Public Service
- Central Arizona College
- Central Arizona Economic Development Foundation
- Greater Phoenix Economic Council
- Land owners focus group
- City of Maricopa - City Council
- City of Maricopa - Staff
- Maricopa Chamber of Commerce
- Maricopa Economic Development Alliance
- Maricopa Heritage District
- Maricopa Industrial Development Authority
- Maricopa Mayors' Council
- Maricopa Unified School District
- Nissan
- Pinal County Economic Development
- Pinal Energy LLC
- Pinal Power
- Small business focus group
- Real estate brokers focus group
- University of Arizona
- United States Department of Agriculture
- Volkswagen

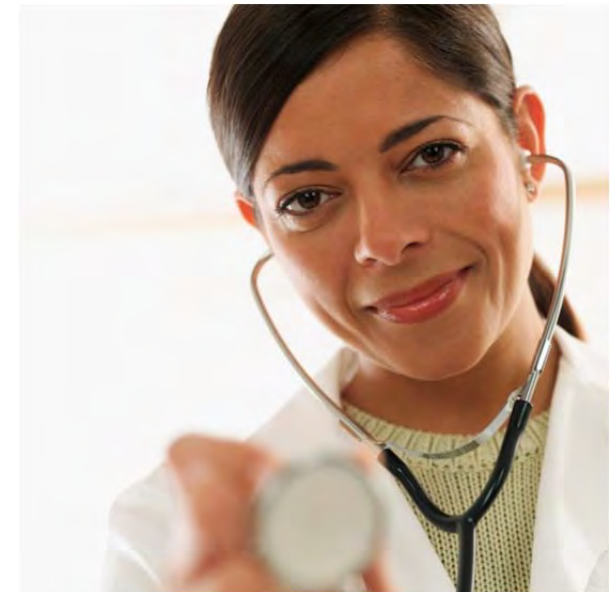
business mentors or entrepreneurs. As a result, the establishment of an advanced, professional entrepreneurship program – potentially coupled with the provision of incubator space (entrepreneurship center) is seen as a major economic development opportunity for Maricopa.

BRAND RECOGNITION & MARKETING >> During the course of the Great Recession, Maricopa and the Phoenix region have been the subject of numerous articles describing the unfortunate housing market and the state of the national economy. Arizona has received negative press regarding immigration and other issues. While this creates barriers (especially for industries requiring more flexible workforce options), TIP believes this also represents an opportunity for Maricopa to distinguish itself within the region. For this to occur there needs to be a sustained awareness campaign on the part of the City and the MEDA. The City of Maricopa must differentiate itself from Maricopa County while establishing an identity with the greater Phoenix area.

There are models for this process throughout the country, from Richmond suburbs in Virginia to Round Rock, Texas, to Beaverton, Oregon. These are areas in which TIP has been active and ones where we feel there are important lessons to be learned. These communities have altered perceptions of their community.

The eventual roll-out of this plan will be crucial in telling the “Maricopa story” to the outside world and shaping expectations of the community’s potential. As a first step in this process, TIP has begun to identify the primary target audiences for Maricopa. We firmly believe that a public relations campaign geared toward local residents must be an element of this approach. Buy-in from local residents and businesses is critical to an external marketing campaign, as personal and professional ties can provide an alternative path to lead generation.

HIGHER EDUCATION >> CAC’s announcement of a new campus in Maricopa presents a tremendous opportunity for economic development. For example, it provides a local avenue for higher education and training for Maricopa’s youth, continuing to offer a pipeline of talent to existing and prospective businesses. As a result, the selection of course offerings must be coordinated with Maricopa’s existing businesses and target industries. Other considerations that must be taken into account include career training for nontraditional students, as well as services that might be offered to small businesses and entrepreneurs. Moreover, the



establishment of a higher education institution is an event that can put a “community on the map,” raising Maricopa’s profile throughout the region and solidifying a vision of it as more than a bedroom community. Finally, over the long-term, Maricopa should continue to pursue additional higher education opportunities, including a four-year presence, trade schools, and seminaries.

HEALTHCARE >> The City has long endeavored to bring greater access to healthcare to the community. TIP supports this effort, as access to medical care is a must for families, retirees, and businesses. Recently, the Banner Health Center project was announced and expects to open its initial phase by September 2012. Attracting additional healthcare services to Maricopa would deliver an enormous direct economic stimulus to the local economy. Over the short-term, Maricopa should focus needs on serving the local population (e.g., primary care, pediatric care); however, over the long-term, the City should pursue more specialized services as the sector becomes more established in the community. The impact of the arrival of significant healthcare amenities would be much like the effect of the community college on Maricopa’s regional image.

CITY CENTER >> While the full build-out of Maricopa’s City Center lies well beyond the 3-5 year horizon for this economic development plan, the eventual shape of the development will have profound implications over the long-term. For example, if visioning and planning continue to proceed without an eye toward the City Center’s economic impact, Maricopa will have lost an opportunity to create a unique development district. The result could be a disconnected municipal complex devoid of energy. On the other hand, **Maricopa could follow the lead of many other suburban communities across the nation, which have treated the construction of a new city hall as means for creating a new, mixed-use city center, or downtown.** One example of a topnotch city center development is Sugar Land, Texas. TIP believes the potential for a vibrant urban core does exist, especially if planning efforts are coordinated with other adjacent developments (i.e., the CAC campus). Coordination with ABACUS is a vital step in this process.



Target sectors

The heart of economic development is the attraction of new businesses. Recruitment activity only becomes strategic when target sectors meet the following requirements:

- A match with the skills of the area's workforce.
- An adequate land and building inventory in the local community.
- The potential for sustainable employment opportunities through growing demand.
- Public support of policies and action that are in harmony with the desires of Maricopa residents.
- A review of existing targets, industry strengths, and other studies for the region.
 - Maricopa Cluster Study, 2010
 - Maricopa Community Overview, 2010
 - Maricopa Development Update, 2010
 - Maricopa Labor Survey, 2009
 - Maricopa marketing material and website
 - Arizona Commerce Authority
 - GPEC marketing material (including targets) and website
 - CAREDF marketing material (including targets) and website



With this framework and previous analyses in mind, TIP recommends Maricopa pursue the following target sectors:

- **PROFESSIONAL & TECHNICAL SERVICES** (including IT, telecom & professional services for the local market) >> The selection of this sector for Maricopa is based on the community's already existing workforce strengths in white collar professions, as well as its higher educational attainment levels. Moreover, the city's proximity to Phoenix, and Chandler especially (location for many high tech firms, including an expanding Intel), should be leveraged to expand local employment opportunities among IT and telecom professions. Based on anecdotal evidence garnered through interviews, existing demand for professional services to serve the local market is already in place. What is lacking, however, is ample office space within the city for these growing businesses. It is for this reason that TIP is recommending the City with assistance from local partners support the development of office space.
- **CLEAN TECH** (including green building & clean energy) >> The Phoenix region is already considered one of the nation's leaders in the solar production business. The recent announcement of Chinese manufacturer, Suntech, further strengthens the region and state's position within this industry. We believe that GPEC and the State's ongoing efforts to pursue additional investment in this sector will pay off, and Maricopa should aggressively engage in these attraction efforts. We believe, however, that a broader focus on clean energy technologies would benefit Maricopa, as evidenced by existing and planned investments in ethanol and biomass production. Green building technologies, especially in conservation, modular building, and computer systems integration, hold much promise for transforming the construction industry over the next decade. Undoubtedly, construction within the Phoenix region stands at a low point. Renewed population and employment growth will eventually force the absorption of available homes and commercial space and renewing the demand for construction. We believe that Maricopa – with a fully shovel ready business park – would be an attractive location for these types of light industrial users.
- **HEALTH SERVICES** (including wellness & health informatics) >> Maricopa should continue pursuing growth in the healthcare sector. Banner's announcement for a new health center in Maricopa should be treated as a first step in this long process. The

eventual goal should be the development of a full-service acute care hospital, anchoring a thriving healthcare community. Over the short-term, Maricopa should focus on “long hanging fruit” in this sector to meet existing needs for its young, growing population. These include pediatric services, primary care, and OB/GYN. Over the mid- to long-term, Maricopa begin pursuing therapeutic and ambulatory care, as well as other specialties.

- AGRITECH (including research & development) >> Since first becoming a community, Maricopa has always had deep roots in agriculture. While rapid population growth in the last decade may mask this history, agricultural fields spread across the landscape beyond Maricopa’s city limits – a rarity in arid Arizona. Home of the University of Arizona’s Agricultural Center and the USDA’s Arid-Land Agricultural Research Center, Maricopa stands at a distinct competitive advantage for ag-related research vis-à-vis the remainder of the state. Yulex, a natural rubber products company based in Maricopa, recently announced its plans to establish a factory at the Lone Butte Industrial Park on the Gila River Indian Reservation. The presence and expansion of Yulex indicates the viability of this sector in the region. This move, however, also points to the present dearth of industrial space in Maricopa and further emphasizes the need for a local business park. Additional value-added agricultural research opportunities in ethanol and biomass production should be supported.

TIP intentionally aligned Maricopa’s recommended targets with those state and regional partners with customized modifications for the local labor and real estate market. For example, aerospace and aviation activities were largely excluded from our recommendations due to the lack of a local aerospace industry presence and the existence of multiple locations in the Phoenix market with closer proximity to Phoenix Sky Harbor International Airport. Regardless, we feel it is extremely important for Maricopa to link its targets as closely as possible with those of regional partners, due to the fact that the majority of Maricopa’s prospects tend to be generated elsewhere.

Specific selection rationale, criteria, and recommendations for each target is discussed in detail within *Appendix A – Target Sectors* of this plan. The selection of these targets and the priority recommendations greatly influenced the goals, strategies, and actions outlined in the following economic development plan for Maricopa.

Economic Development Plan

Maricopa residents should understand that this plan is only a beginning. The issues that the area faces today did not arise overnight. As such, the community should focus on managing expectations for timely success. Immediate action can be taken on several recommendations. The overall success of the plan, however, hinges on sustained efforts leading to long-term opportunities that will diversify the local economy through high-quality development.

Vision

Economic development strategies must be driven by a clear vision. The practical value of this vision is in directing community resources. As a result, successful vision statements are bold. They must also provide an unambiguous direction that can be supported by goals and strategies. The following statement establishes such a vision for economic development efforts:

« Maricopa will be a leading regional partner, providing growth opportunities for new companies, entrepreneurs and expanding companies by delivering high quality services, sites, and talent to local, regional, national and international businesses. »

This vision statement presents a focus for local economic development efforts. It also requires aggressive goal-setting. Maricopa will strengthen its competitive position within Arizona by continuing to participate in regional economic development efforts and the provision of quality development opportunities. In the short term, Maricopa will provide an outstanding business friendly environment by decreasing obstacles for private sector investment in existing commercial areas. Over the long-term, the community will also offer space and sites for employers in a fully developed business park and a new city center.

The City alongside its partners will spearhead the implementation of this economic development strategy. A comprehensive economic development strategy — as outlined below — will require the full support of the entire community, including public officials, business leaders, and the public at-large. Further, TIP fully endorses a fundamental shift in economic development thinking — one that reflects changes in the national economy. Such a

change must include all elements of the community, from workforce to education to non-traditional growth sectors.

Goals

The following plan is comprised of four goals, encompassing initiatives to be met over the next three to five years:

Goal One: To be a regional leader in economic development with properly aligned resources and tools.

Goal Two: To be a community recognized by site selectors and companies in target industries as having a high quality real estate product.

Goal Three: To have effective marketing that positions the community as a top of mind destination for new investment opportunities among key target sectors and audiences.

Goal Four: To be known as a community with a unique quality of place with the region.



Goal One: To be a regional leader in economic development with properly aligned resources and tools.

GOAL 1 PRIORITIES:

1. Align existing organizations.
2. Build organizational capacity.
3. Strengthen BRE program.
4. Support entrepreneurs.

Maricopa is not lacking for economic development organizations. Already served directly by the City's Economic Development Department, the Maricopa Economic Development Alliance (MEDA), and the Maricopa Chamber of Commerce, Maricopa also participates in the Central Arizona Regional Economic Development Foundation (CAREDF) and the Greater Phoenix Economic Council (GPEC). In addition,

resources are available at the state level via the Arizona Commerce Authority. Unfortunately, Arizona state law limits the degree to which local economic development organizations can provide business incentives. For example, Arizona state law does not allow tax increment finance districts.

The City's foresight to help jumpstart the formation of MEDA (a private, non-profit organization) should, over time, provide the local area with greater flexibility to induce economic development in the community. This organization, however, currently operates with limited financial resources. Increasing the financial base for the organization should, therefore, be a high priority.

Moreover, the coordination of economic development efforts – with distinct roles for each party – will provide businesses, residents, and the individual organizations with a clearer picture of Maricopa's future.



Goal One Implementation Table

The following guide combines all the strategies and actions for this goal in a single table. It also includes the leading responsible party for each action, as well as a recommended time horizon for implementation.

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going
A	Build local capacity for economic development.						
1	Determine organizational responsibilities for economic development in Maricopa.	JOINT					
2	Continue to build internal resources for economic development	CITY/MEDA					
3	Pursue financing to fund economic development programs and projects.	CITY/MEDA					
B	Pursue retention and expansion efforts for existing businesses.						
1	Continue to maintain an inventory of local businesses.	ALL					
2	Place periodic calls with existing employers.	ALL					
3	Continue to survey area businesses.	ALL					
4	Ensure that local businesses and industries remain aware of any technical and financial assistance programs.	ALL					
C	Support local entrepreneurs in the start-up of new business.						
1	Enhance the existing entrepreneurship support program.	ALL					
2	Facilitate financing for local entrepreneurs.	MEDA/CHAMBER					
3	Build a local climate that embraces and celebrates entrepreneurship.	ALL					

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development)

Estimated budget requirements (above current levels) and performance metrics are provided in the Implementation Matrix section beginning on page 53.

Note: Where responsible party is noted as "ALL", the City retains primary responsibility for coordination until otherwise assigned.

Strategy A: Build local capacity for economic development.

TIP's definition of economic development is "the application of public resources to stimulate private investment." One sign of a sophisticated economic development program is the availability of internal resources and tools that can be leveraged to ease business location decisions. Included among these are a complete database of asset and fully maximized software that allow the local economic development practitioner to act as an information and site location clearinghouse for new businesses. This role is especially important in suburban and exurban communities such as Maricopa.

Action 1: Determine organizational responsibilities for economic development in Maricopa. Each of the organizations serving Maricopa must serve a distinct role in the city's economic development, and their activities should be suited to play to the inherent strengths of each. Upon the completion of this plan, the City, MEDA, and Chamber should convene a meeting to discuss TIP's recommendations for organizational responsibilities and agree to a clear operational framework of activities. TIP recommends the following:

Responsible parties: Joint partnership of City, MEDA, and Chamber

Recommendations:

- **MEDA** should focus on retaining and expanding existing businesses through creative solutions (e.g., public/private partnerships for developments and deal-making) relating to infrastructure, finances, workforce development, and networking. MEDA should also serve as a critical participant in business development and attraction projects as it relates to infrastructure development and capacity needs due to its existing Board composition, which includes the community's private utility providers.
- The **City's** primary activities should be in business recruitment to Maricopa. Economic development staff's marketing experience, strong professional network, and credibility with regional and national economic development organizations as well as the Arizona Commerce Authority make this a logical choice. While it is a desirable long-term goal to raise the profile of Maricopa

across the nation as a leading business destination in Arizona, most of the economic development leads for the community will continue to flow through the state regional organizations. This is largely a matter of their higher national profile and larger marketing budgets due to economies of scale from partnerships with numerous municipalities in the area.

- The **Chamber** should concentrate on providing networking and educational opportunities and liaison assistance with the City and public for local retailers, restaurants, service providers, and home-based businesses throughout Maricopa. Services that are currently provided and should continue to be delivered by the Chamber include but are not limited to: partnership in business retention activities, the provision of business startup assistance through promotion and ribbon cutting services, hiring location resources, business growth assistance via marketing assistance and networking opportunities, and the facilitation of connections to public policy makers to address barriers to business growth. This is due to the composition of their existing membership and organizational mission statement. The Chamber should also remain the primary lead in the development of tourism opportunities for Maricopa, providing a well-equipped visitor center recognized by the Arizona Office of Tourism.

Action 2: Continue to build internal resources for economic development. Local residents and businesses should be mindful that MEDA remains a new economic development organization. As a result, MEDA is in the process of developing the necessary tools for effectiveness. Moreover, the City's economic development office is currently comprised of a single staff member. TIP recommends the City add one additional full-time position to assist in managing information to prospects and MEDA add one part-time position to assist in research and BRE efforts.

The cultivation of knowledge about the area, especially in regards to available sites is one of the most basic tools for economic development. The City already offers much of this information; however, the MaricopaProspector.com website does not offer the full complement of information often required by developers and companies seeking a new location. While all of this information (i.e., specific location of utility lines for

security reasons) should not be readily accessible through a public portal, it must be compiled in advance to allow for maximum speed in lead response time.

Responsible parties: Joint partnership of City and MEDA

Specific Tasks:

- MEDA should seek additional economic development training opportunities for its staff and board. Ideally, MEDA's staff should be a Certified Economic Developer through the International Economic Development Council (For more information, please visit <http://www.iedconline.org/?p=certification>).
- Using the roll-out of this plan, MEDA should conduct a fundraising effort to increase financing for the organization, stressing its renewed focus as strong local partner in economic development (See Goal 3, Strategy 1, Action A).
- The City and MEDA should consider entrepreneurship training to be a major component of any future Public Service Award scope of services.
- The City should both establish formal guidelines for the use of incentives available to both recruitment prospects and existing businesses. Consideration should be given to consulting with regional economic development partners, Pinal County, and the state in evaluating the options available to the City and MEDA. TIP suggests that specific guiding principles before establishing the policy (see text box). Consideration should be given to developing incentives based on:
 - Capital investment (to diversify and expand Maricopa's tax base),
 - Average wage (should not be less than the median salary for the Phoenix metropolitan area),
 - Number of new jobs,
 - Location in desired development areas (e.g., town center, business park, Heritage District),

Incentives

Formal incentives policies should be carefully crafted in a transparent manner to ensure that they yield a net benefit to area taxpayers. The following principles should be considered when establishing a policy: 1) the targeted investment would not occur without the incentive and 2) the investment should generate new economic activity in the area instead of displacing existing businesses.

When creating an incentives deal for a particular prospect, we recommend the following: 1) a statement demonstrating how the proposed incentive relates to broader economic development strategies, 2) a formal cost/benefit estimate weighing the estimated direct/indirect benefits (e.g., tax base enhancement, increase in retail sales, increase in wage rates) to the incentive costs (e.g., tax abatements, training subsidies, infrastructure improvements) associated with a particular deal, and 3) a "clawback" agreement that guarantees the recovery of incentives funds if the firm makes fewer hires or investment expenditures than promised.

- Site plan characteristics, and/or
- Targeted business sectors (i.e., professional and technical services; clean tech, health services, and agritech).
- The City should act as an information clearinghouse for companies seeking to expand or relocate to Maricopa, especially for proposal development. For example, the City should pay particular attention to enhancing its existing websites (MaricopaProspector.com and MaricopaMatters.com) since much of the site location process occurs through internet research.

While the City should continue to host the MaricopaProspector.com website, TIP recommends MEDA support the City's efforts in ensuring a local repository of critical information for business decisions exists. Moreover, it is recommended that the City provide additional staff assistance to the economic development office to perform this function.

- Enhance and improve upon the data collection and maintenance of the City's database of available properties, complete with current infrastructure data to sites, as well as cost for build-out.
- Continue to improve on the geographic information system (GIS) to allow for the display of multiple layers of information (e.g. infrastructure availability) on properties in Maricopa. In partnership with utility members on the MEDA Board, compile GIS data relevant to infrastructure and other key geographic data in the community. This data should be made available for integration into the City's MaricopaProspector.com GIS-based database.
- Use GIS software to assist in researching and identifying utility availability to the proposed business park.
- Continue to provide updated printable maps, highlighting major developments in Maricopa.

- Continue to provide site location and site analysis assistance services to companies scouting Maricopa as a business location.
- The Chamber should continue to provide quality educational opportunities, networking assistance and support to members, small business owners and startups.

Action 3: Pursue financing to fund economic development programs and projects. A major challenge that Maricopa faces in implementing this plan and its proposed projects is the issue of financing. Fortunately, a number of avenues for funding exist, including state and federal agencies, as well as private employers from within the region. Potential funding sources include are the Economic Development Administration (<http://www.eda.gov/InvestmentsGrants/Investments.xml>) and Community Development Financial Institutions (<http://www.cdfifund.gov/index.asp>).

Responsible parties: City; MEDA support


Specific Tasks:

- Invite representatives from state and federal economic development organizations to Maricopa, including those from GPEC, CAREDF, Arizona Commerce Authority, Pinal County Economic Development, and the U.S. Economic Development Administration (EDA) to the rollout of this plan. The purpose will be twofold: 1) raising awareness of Maricopa, and 2) understanding outside funding options for specific opportunities and initiatives (e.g., marketing assistance, financing for infrastructure needs, business park). Consideration should also be given to submitting this plan as a formal and independent comprehensive economic development strategy (CEDS). Please see sidebar for additional detail.
- Use the rollout of this plan to initiate a capital campaign. TIP has found that the rollout of a plan is often the most effective means for announcing the launch of major economic development initiative. The City should invite the public, the local business community, and regional allies and partners. The tone of the event should be positive and upbeat to build excitement about a

Definition: CEDS

A **comprehensive economic development strategy** (CEDS) is designed to bring together the public and private sectors in the creation of an economic roadmap to diversify and strengthen regional economies. The CEDS should analyze the regional economy and serve as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, and identifying investment priorities and funding sources. A CEDS integrates a region's human and physical capital planning in the service of economic development. Integrated economic development planning provides the flexibility to adapt to global economic conditions and fully utilize the region's unique advantages to maximize economic opportunity for its residents by attracting the private investment that creates jobs for the region's residents. A CEDS must be the result of a continuing economic development planning process developed with broad-based and diverse public and private sector participation, and must set forth the goals and objectives necessary to solve the economic development problems of the region and clearly define the metrics of success.

new chapter in Maricopa's development. Emphasis should be placed on the transition from being a bedroom community to a focus on becoming a regional leader in economic and business development.

- Explore the potential for additional private sector partners on specific projects (e.g., real estate developers, local banks, utilities).
 - Establish the capacity within the City's budget to provide assistance on specific projects (e.g., business park development, office development in the city center, and public improvements to the Heritage District).
- 

Strategy B: Pursue retention and expansion efforts for existing businesses.

Building awareness of the needs that existing employers have, and developing policies and mechanisms to support local business and industry, is a must. According to a recent Brookings study, the expansion of existing businesses accounts for nearly 42 percent of all new jobs (56 percent is the result of the birth of new establishments). Given the lingering effects of the national recession on the Phoenix regional economy, it is critical that the City understand how local issues affect the competitiveness of existing local industry. MEDA's focus in discussions with existing local facilities should be to uncover potential opportunities for increasing their business activities in Maricopa.

Responsible parties: All local organizations – City, Chamber, and MEDA

Action 1: Continue to maintain an inventory of local businesses to: 1) ensure an understanding of types of businesses in the community and 2) keep tabs on expansions and layoffs. This action should involve the coordination of data resources from all entities, such as the Chamber of Commerce membership list, the City business license database, and outreach information collected by MEDA. Currently, the City tracks business retention interview activities using e-Synchronist, training and system access for which could be provided to participating entities.

Action 2: Place periodic calls with existing employers in accordance with the e-Synchronist formal interview program to: 1) gain a better understanding of their ongoing challenges and 2) to uncover potential opportunities for local expansions. These meetings should also serve to make existing employers aware of the roles of the City, Chamber, MEDA, and State Commerce Authority. Those attending meetings with employers should be selected based on anticipation of the businesses' likely needs and the organization most likely able to assist. For example only, if concerns about the planning process are high a City representative should be on hand; if financing or utility needs are of top concern MEDA should be present; should marketing needs, coordination with other business entities or issues with policy be a priority, the Chamber must be on hand. This will require a coordinated effort as some interviews will require all and some will require only one.


A bird in the hand

The expansion and retention of existing businesses should be at the heart of any economic development strategy. Existing businesses form the backbone of a thriving economy. They typically represent the best opportunity for increasing the employment and tax base of a community and the greatest economic threat if they close or relocate. But local firms are often overlooked in a community's enthusiasm to recruit new, headline-generating businesses.

Given the fiercely competitive environment for business attraction and the myriad of issues facing most communities with regard to the recruitment of new business, business retention should be a baseline activity for economic development organizations. In other words, all other initiatives, including business recruitment, should be considered in light of their ability to complement and support the existing business network.

Action 3: Continue to survey area businesses to keep tabs on opinions of the area's business climate. Current contact information for businesses, including email addresses, should be established through the one-on-one meetings MEDA and the Chamber conduct with existing employers.

Action 4: Ensure that local businesses and industries remain aware of any technical and financial assistance programs, including incentives that are available. While the availability of traditional economic development incentives at the local level are statutorily limited in Arizona, business expansion and retention opportunities can also be met through more non-traditional means (e.g., streamlined development permitting, the extension of utilities at a reduced rate, the provision of road infrastructure) for qualified projects. MEDA should be prepared to brief local businesses on the various programs during one-on-one visits. This information could be provided in periodic informational or training seminars offered to local companies.



Strategy C: Support local entrepreneurs in the start-up of new business.

Across the nation, economic developers have embraced entrepreneurship as a means of promoting economic diversification, local innovation, and stimulating growth. The reason is two-fold: 1) an economic transition in the U.S. that has created more market opportunities for entrepreneurs and 2) the recognition that entrepreneurs can be more deeply rooted in their communities, which increases both their economic and social impacts.

Maricopa's proximity to the Phoenix metro area and supply of affordable housing should be treated as unique assets for fostering and enhancing a culture of entrepreneurship.

Action 1: Enhance the existing entrepreneurship support program.

Focus entrepreneurship and business investment programs on target industry sectors and home-based enterprises in expansion mode.

Responsible party: All

Specific Tasks:

- The City should continue to fund training courses that provide intensive training for potential entrepreneurs with a focus on target industry sectors.
- MEDA should establish an *Entrepreneurs Forum* where target industry companies can network and discuss key issues relevant to their efforts. This

Redefining INNOVATION

The U.S. manufacturing industry continues a transformation that has profound effects on the practice of economic development. It is forcing us to rethink what we mean by a primary job, how we measure economic impact, and how we design incentives. This is due, in large part, to manufacturing continuing decline. It is no overstatement to say that you cannot build an economic strategy solely around manufacturing jobs.

For this reason, our assessment of industry considers the full complement of economic activities — ranging from traditional industrial employers to advanced research to entrepreneurship — as well as the physical infrastructure (industrial parks, sites, transportation etc.) and business climate to support those activities. Understanding the role of innovation, the opportunities for expansion of existing companies, and the best targets for recruitment are important building blocks of an economic development plan.

Understanding Entrepreneurship

Entrepreneurs are individuals who are motivated to expand and grow their businesses into something more than a family-oriented company. Their businesses are often highly innovative and are export-oriented, with customers beyond their local market. The unique quality of entrepreneurial ventures rests on the following understanding:

Export Oriented: *unlike many small businesses, entrepreneurial companies seek markets beyond the immediate region.*

Capital Intensive: *since these companies are on a growth trajectory, they require substantial operating and expansion investment.*

Technology Driven: *even non-technology companies require a technology infrastructure (broadband, e-commerce transaction capability, highly skilled workforce).*

Professional Service Dependent: *since most entrepreneurs have some form of intellectual property (including patents, specialized equipment or processes), they need easy access to legal, financial, and marketing services.*

would differ from the existing training program in that it would provide an opportunity for local entrepreneurs to meet on a monthly or bi-monthly basis to exchange ideas, offer mentoring to one another, and seek guidance on specific issues (e.g., marketing and financing).

- The Chamber should consider setting up a semi-annual meeting for local taxing entities to meet with current and potential entrepreneurs and small businesses in Maricopa to better understand how public policy issues affect operations.
- Assist in the development of office space to support growth among professional and technical service firms. Within this development, provide executive suite space for start-ups and/or currently home-based enterprises (See Goal 2, Strategy B).
 - Interim space for the incubator/entrepreneurship center may also be found in existing commercial or retail space in Maricopa.
- Advocate for entrepreneurs and small business startups by facilitating local government assistance and help address issues and challenges.
- Sponsor recognition event(s) for area entrepreneurs and provide an enticing incentive/award for the most innovative concept.
- All entities should contribute to the development of a mentor network to match “green” entrepreneurs with experienced entrepreneurs in the innovation and tech sectors, modeled after the Chamber’s mentor program for small business startups.
- Establish an information clearinghouse to aid entrepreneurs in gaining competitive information, market research, and assistance.

Action 2: Facilitate financing for local entrepreneurs.

Responsible party: MEDA; City and Chamber support

Redefining INNOVATION

The U.S. manufacturing industry continues a transformation that has profound effects on the practice of economic development. It is forcing us to rethink what we mean by a primary job, how we measure economic impact, and how we design incentives. This is due, in large part, to manufacturing continuing decline. It is no overstatement to say that you cannot build an economic strategy solely around manufacturing jobs.

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Specific Tasks:

- Support the formation of a formal angel investor network to aid entrepreneurs in raising seed capital by providing opportunities for entrepreneurs to present business plans and financing needs to an audience of local investors.
- Continue to pursue the establishment of a revolving loan fund in partnership with the Central Arizona Association of Governments. This fund, in which local financial institutions participate, would provide support for higher risk loans (start-ups & small) while spreading risk for the lenders.
- The Chamber should continue efforts to encourage local lenders to offer small business financing to assist startups.
- Work with local lenders to establish one or more to strengthen their Community Reinvestment Act (CRA) ratings and become a Community Development Financial Institution (CDFI).
- Leverage existing state and federal program that offer business startup assistance (e.g., Central Arizona College's Small Business Development Center and Small Business Administration).

Action 3: Build a local climate that embraces and celebrates entrepreneurship.

Responsible party: ALL are responsible for this task

Specific Tasks:

- Coordinate and communicate with City and utility provider representatives and policy makers to ensure processes and procedures are business friendly and supportive of new ventures.
- Ensure that all entrepreneurial and small business support efforts are coordinated with Central Arizona College's Small Business Development Center



- Encourage the school district to incorporate youth entrepreneurship training into high school curriculum to inspire the entrepreneurial spirit among the Maricopa's young citizens.
- Work with local and regional media to ensure that Maricopa business success stories are published.
- Market Maricopa's entrepreneurship program to attract "lone eagles" in regional media (successful professionals who are leaving Phoenix and setting up business operations in smaller, slower-paced communities and/or suburban areas).

Goal Two: To be a community recognized by site selectors as having developable, shovel ready sites and the tools to satisfy the needs of companies in our targeted industries.

Maricopa's chief competitive disadvantage to traditional economic development recruitment and natural business growth is its location on the fringe of the Phoenix metropolitan area, limited roadway access, and disconnect (due to the Gila River Indian Community) from the region's suburban sprawl. Ironically, these attributes also make Maricopa a unique and desirable location for families and individuals seeking a "small town feel" in their place of residence.

To overcome this economic development obstacle, it will be essential that the community make it a priority to offer a quality "product(s)" from a real estate standpoint for new businesses. Unfortunately, the state of the Phoenix region's real estate market, weighed down by very high commercial and industrial vacancy rates, will likely prevent major private sector-led development in Maricopa for several years to come. For example, current real estate market data indicate that approximately three million square feet of office space and more than 15 million square feet of industrial space is vacant in the southeastern submarket (which includes Maricopa) of the Phoenix metropolitan area. As a result, local entities – including the City and local utilities – will have to take the lead in influencing Maricopa's real estate market.

GOAL 2 PRIORITIES:

1. Partner in the development of office space.
2. Development a business park to attract light industry targets.
3. Include mixed-uses in development of City Center.

Through the planning process, it became clear that the greatest opportunities for creating such product are the development of a **business park** along the Maricopa-Casa Grande corridor, as well as the creation of **office space**, leased to private sector white-collar firms. We recommend the City begin assisting in the development of an office building straight away to meet existing demand. Over the long-term, however, we also envision the inclusion of a structure within the planned City Center. We also feel that additional commercial development potential remains along John Wayne Parkway, as well as part of the Heritage District.

Goal Two Implementation Table

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going
A	Plan for adequate sites and infrastructure to support business development and attraction in Maricopa.						
1	Update development processes, zoning codes, and land use plans.	CITY					
2	Participate in the development of office space to promote Maricopa as a regionally competitive location.	CITY					
B	Assist in the development of a business park to attract industrial employers.						
1	Determine a plan for the creation of the business park.	CITY					
2	Develop the necessary infrastructure and the site.	CITY					
3	Market the business park.	CITY					
C	Ensure the City includes mixed-use activities in its development plans for the new city center.						
1	Continue to meet with relevant parties (e.g., City staff, architects/engineers) to advocate for the inclusion of mixed-use activities in the new city center.	CITY					
2	Build political support for the build out of the city center as a multipurpose destination.	CITY					
3	Develop a public/private partnership strategy to encourage and incent private investment at the city center location.	CITY					

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development)

Estimated budget requirements (above current levels) and performance metrics are provided in the Implementation Matrix section beginning on page 53.

Strategy A: Plan for adequate sites and infrastructure to support business development and attraction in Maricopa.

Maricopa no longer finds itself in the position of being “in the path of growth”. This unfortunate situation should be carefully monitored and managed until the region’s economy begins to expand again. On the other hand, a resurgence of rapid growth in the future may lead to a shortage of good business sites and additional strains on infrastructure. As a result, the City must work carefully to identify key sites along existing and planned transportation routes to promote a vision for Maricopa’s future development, as well as update land use planning decisions.

Action 1: Update development processes, zoning codes, and land use plans.

Understanding the investment decisions private developers make will greatly assist the City in influencing the types of space – whether for residential or business use – that eventually gets created. The City should, therefore, make a concerted effort to build a cooperative relationship with the development community.

Our primary recommendation for modifications to the zoning code is height restrictions along the John Wayne Parkway, within the Heritage District, the future City Center and surrounding areas, and any other location where business development is targeted. The ability to develop office and medical projects is currently placed at a severe disadvantage in Maricopa. While the City may currently offer variances at on a case-by-case basis, the degree of uncertainty in gaining such variances will present an unacceptable threat to the development process from flowing smoothly. As a result, Maricopa risks communicating to real estate developers that the City does not allow the necessary density for office and medical projects to occur, and Maricopa will remain a bedroom community that lacks expanding economic activity in a broad number of sectors.

Responsible party: City

Specific Tasks:

- Continue to strengthen relationships with area brokers, property owners, and developers to communicate the vision for Maricopa and offer assistance in recruiting users of commercial space.
- Pay particular attention to those who might influence development along John Wayne Parkway and in the Heritage District.
- Continue to maintain and build relationships with these developers and land owners, offering assistance to aggressively market their properties and buildings to future tenants.
- Aggressively market and promote to developers, brokers, site selectors, and other appropriate parties the City's streamlined "Fast Track" permitting program and the "One Stop Shop" service center.
- Hold annual meetings with the development community to review the benchmark data to obtain developer feedback. This qualitative information can often be more valuable than the comparative data in improving the development review and permitting process.
- Develop a land use and utility plan to leverage potential in Maricopa. From a land use perspective, Maricopa's two greatest challenges are flood plains and the lack of consistent, uniform utility coverage throughout the city. For example, updated Federal Emergency Management Agency (FEMA) maps pose great challenges to existing and potential developments in certain parts of the city. Moreover, the Heritage District is served by a small cooperative that is currently unable to upgrade water/wastewater infrastructure to a level that would promote more intensive uses. Until these issues are resolved, Maricopa will run the constant threat of not obtaining the quality development the community desires.

Action 2: Participate in the development of office space to promote Maricopa as a regionally competitive location. Professional service growth, both at the national level and in the greater Phoenix region, is an important trend. It is one of the few private sector categories that economists agree will continue to create jobs. For example, our analysis reveals that the Phoenix area should expect to see approximately 50,000 jobs created in this sector in the next decade. The reasons for this are signs of an economy that is still restructuring itself. Professional service growth is often a result of corporate downsizing, as many of the tasks once handled internally are now outsourced. This includes everything from accounting to marketing, and even R&D. The rise of technology innovation, especially business software, further fuels this trend. Companies find it easier to go to outside vendors rather than hire an IT staff that is both costly and slow to adapt to external trends.

Accommodating this growing sector requires fully-serviced office space, at least at the Class B level. The expectation of companies – both large and small – who lease this space is often the ability to expand. Consequently the space must be flexible (i.e., easy to restructure if more individuals are hired or functions change). This means that interior design is critical. Additionally, even at the Class B level there are high expectations for IT needs: broadband access, quality HVAC (for cooling servers and other computer equipment), and good sound proofing. Since the companies who lease these spaces typically have skilled workers, their needs must also be met. This often includes covered parking, attractive common spaces, and good lighting.

Our review of the greater Phoenix office market suggests that the construction of speculative Class A and Class B office space must be weighed against current vacancy rates. While construction costs are lower after the recession, the inventory remains large. Speculative construction must meet all of the following conditions:

- Specific submarket demand not currently being met (including sub-regional areas such as Maricopa)
- Close participation with local governments and economic development organizations regarding permitting, infrastructure, and re-use ordinances
- A strong and reliable anchor tenant

Definition

Professional and technical services sector includes those firms that provide support services to a variety of companies. The industry sector includes both professional services, such as legal, accounting, and marketing, as well as more basic support services, such as document reproduction and data processing. It also includes technical services, such as information technology, software, and telecommunications.

- Active marketing participation – by brokers, companies, and public entities – to ensure rapid absorption

Against this background, TIP recommends that the City of Maricopa solicit developers for the construction of a 40-50,000 square foot Class A/Class B office building. We recommend that this effort be conceived as a public-private partnership. The “public” portion would consider the following:

- Pre-commitments on the part of the City to occupy a portion of the building for three to five years
- Active support in soliciting additional clients, both public and private:
 - other public clients whose focus includes small business and entrepreneur support and development
 - private clients would include “free agent” professionals (often home-based) seeking smaller offices and extend to existing companies with larger employee bases, and/or
 - incubator/entrepreneurship center space (this may require a separate feasibility study).
- Off-setting infrastructure and land development fees
- Support for site planning

Special consideration should be given to design and construction quality. While a Class A standard is not required, the building will represent an important marketing opportunity for Maricopa. Not only should it be a draw for existing companies and civic services, it will need to have a wider pull after the city relocates to its own building at the planned City Center. Therefore, the attraction of smaller companies who do business in Maricopa but are currently operating in the Phoenix area should be a specific target. This should include real estate firms, accountants, and related services.

DEFINITION: Class A office space

Building Owners and Managers Association definition of Class A office space: "... high quality standard finishes, state of the art systems, exceptional accessibility and a definite market presence." Class B office buildings provide "for a wide range of users with rents in the average range for the area." They include "adequate systems" and finishes that "are fair to good for the area." These buildings do not compete with Class A buildings for the same prices. Class C buildings are aimed towards "tenants requiring functional space at rents below the average for the area."

Strategy B: Assist in the development of a business park to attract industrial employers.

The City should play an active role in the development of a business park to serve light industrial users as a means for recruiting new primary employers to the area. TIP recommends the City continue to consider land along the Maricopa-Casa Grande corridor to be the premier option. This site was selected for a number of reasons, including: access to transportation infrastructure (Maricopa-Casa Grande Highway), flat developable land, and compatibility with existing development patterns along the corridor (primarily industrial).

Action 1: Determine a plan for the creation of the business park.

Responsible party: City

Specific Tasks:

- Retain the services of an individual or company to evaluate the feasibility of a business park.
- Meet with developers to discuss business and industrial park concepts and obtain feedback on design, prospective tenants, pricing, and other important issues. The discussion should include selected target industries for Maricopa.
- Further refine the conceptual plans and determine specific infrastructure needs.
- Develop a business plan for the business park, including operations, maintenance, targeted industries/tenants, and pricing structure for lots.

Action 2: Develop the necessary infrastructure and the site. Given the composition of the MEDA board with involvement of the City's major utility providers, TIP recommends that MEDA be heavily involved in infrastructure planning for the proposed industrial park.

Responsible party: City & MEDA

Specific Tasks:

- Finalize utility and road design and engineering plans and receive final site development permits.
- Develop building design parameters and other appropriate land covenants that all prospective tenants must follow.
- Begin receiving applications for lot sales or leases and begin construction of the business park.

Action 3: Market the business park.

Responsible party: City

Specific Tasks:

- Develop marketing material for the park.
- As part of the existing business program, share the conceptual plan and marketing material with existing local businesses that would be a good long-term fit in the park.
- As part of the developer and broker networking program, share the business and/or industrial park(s) marketing material with these brokers and developers, and then with external business prospects. In addition, host a significant groundbreaking event and enlist the assistance of regional partners to promote interest to the site.
- Emphasize the availability of Foreign Trade Zone and Freeport Tax Exemption for the proposed business park.

Strategy C: Ensure the City includes mixed-use activities in its development plans for all applicable City-owned properties.

Over the long term, the City should establish a new mixed-use city center for Maricopa, as well as mixed-use development adjacent to City parks and recreation amenities. Potential uses within this center include: a municipal complex with adjacent office space for private sector, white-collar firms with outdoor public plaza space. Consideration may also be given to entertainment venues, restaurants, and retail establishments.

Action 1: Continue to meet with relevant parties (e.g., City staff, architects/engineers) to advocate for the inclusion of mixed-use activities in City developments.

Responsible party: City

Considerations:

- Particular focus should be on the provision of office space that could be leased to office users at a discounted rate as a means of attracting new and/or growing existing professional service firms in Maricopa (See Action 3 below).
- Additional discuss should focus on whether the proposed incubator/entrepreneurship center should be relocated to the city center, on the CAC campus, or at another undetermined location (e.g., existing commercial space or off-site new commercial construction) if demand for space at the Class A/B office is sufficient to fill that space.

Action 2: Build political support for the build out of the city center as a multipurpose destination. The City should ensure that within ABACUS's development plans the recommendations of this economic development plan and the critical shortage of office space within Maricopa are considered and properly conveyed to City Council and the general public. Make clear to participants that the private sector will unlikely develop such a product on its own for several years to come.

Action 3: Develop a public/private partnership strategy to encourage and incent private investment at City developments. This action requires the public sector take on considerable financial risk to catalyze development in the local office market.

Entrepreneurial activity, technical service support, and business services (including legal, accounting, and marketing) are examples of what are known as “professional services.” This category also includes software and other skill-intensive businesses. This is a national growth sector, and it is one of special importance to Maricopa. For example, the Phoenix MSA is expected to add close to 60,000 professional and technical service jobs during this decade, in addition to thousands of other office-using jobs in finance, insurance, administrative services, corporate headquarters, and information sectors. Without office space, new businesses will not form (they will go to communities that can provide that support), existing businesses will be compromised, and new businesses will think twice about locating. The data for Maricopa suggest that this cluster can be built out in the community.

For this to happen, suitable office space must be made available for professional service firms. We are recommending that the city work with the development community to provide Class A office space as part of the city center currently being planned. We recommend one of two options, which can best be determined by the developer in the planning phase.

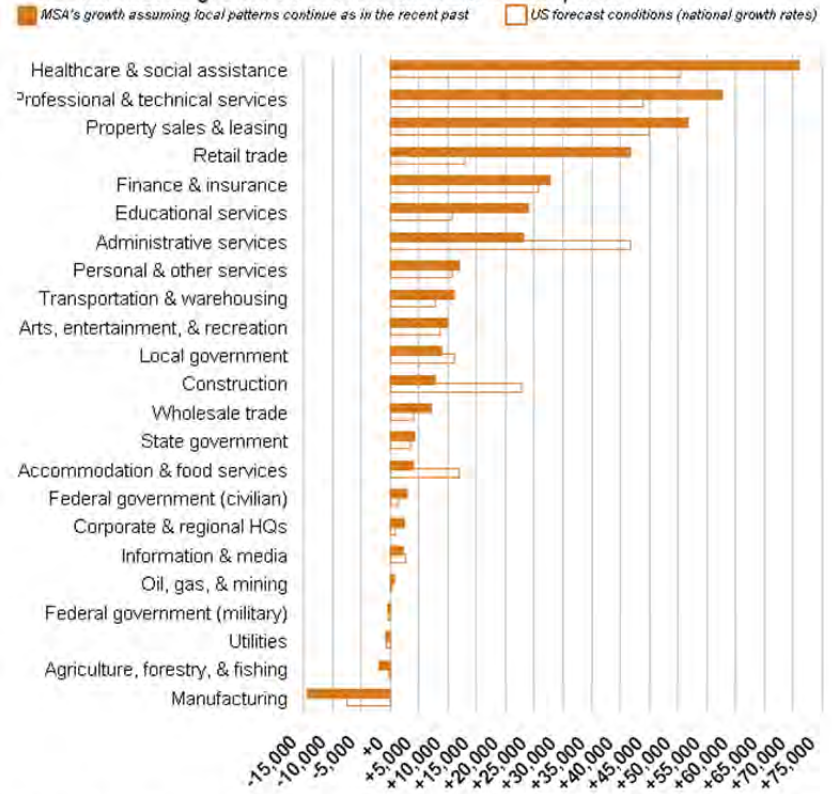
Responsible party: City; MEDA and Chamber support

Options:

1. Build a Class A office building using city services as an anchor tenant.
2. Design a “complex” with the flexibility to accommodate growing office tenants.

Industry sector scenarios, 2010 to 2020

Phoenix MSA's growth under two different assumptions



SOURCES: EMSI Complete Employment - 3rd Quarter 2010

Recommendations:

With current budget constraints and depressed regional real estate market (current office vacancy rates in the Southeast Phoenix submarket stand at over 30 percent), we recommend that Option 1 be pursued by the City and ABACUS. Providing additional space within the planned development will place the City at less exposure from the financial burdens of constructing a separate Class A office building. It will also mitigate the risk that private sector tenants will not occupy sufficient space in the facility to make it profitable. Moreover, as Maricopa grows the City may need to expand its staff and will require more space. In essence, this option would provide available space over the short term to private sector firms but would also accommodate future growth for City staff over the long-term.

As the City and ABACUS proceed with planning the city center's eventual land-uses, TIP recommends properties are set aside for additional Class A office development over the long-term.

Goal Three: To have effective marketing that positions the community as a top of mind destination for new investment opportunities among key target sectors and audiences.

The City's economic development office – with the support of MEDA and the Chamber - should undertake a sustained internal and external marketing campaign to generate and promote a positive image of Maricopa. Marketing, advertising, and building a brand are key ways to interact with the city's target audiences. Marketing must be viewed as an investment to achieve the ultimate goals within the community.

While Maricopa has made great strides in growing its population, both residential and commercial, it remains far from reaching its vision as a leader in economic development for the Phoenix region. Initial steps have been taken in the 2008 adoption of a City of Maricopa Brand along with fully developed Brand Design Guidelines and initial three-year marketing strategy. It is imperative for the City to grow its current marketing strategy and plan to a more broad-based marketing effort with specific goals and measures to focus efforts in attracting businesses and retaining **talent**, and to build on the community's quality of life.

A major driver for Maricopa's future marketing efforts is a focus on positive developments planned for the city's future: the Pinal Power 30MW biomass facility, the plans of CAC and Banner Health, hotel and hospitality developments, as well as other distinct opportunities, such as the city center and Heritage District. This progress presents myriad opportunities to establish both external and internal buy-in on Maricopa's "product" by touting the community's growth and the opportunities that it presents to businesses and residents alike.

Due to a highly competitive economic landscape brought on by the last recession, Maricopa needs to move forward with developing a comprehensive marketing strategy that addresses both internal and external perceptions of the city, enhances and updates the messages of the City Brand and develop new targeted collateral to assist in meeting strategic goals to raise awareness of potential business opportunities.

GOAL 3 PRIORITIES:

1. Leverage and expand existing local partners for an internal awareness campaign.
2. External marketing:
 - Leverage regional partners
 - Target marketing & recruitment

Redefining TALENT

The concept of talent means more than a skilled workforce. It means recruiting talented people as well as cultivating the talent pool represented by groups as diverse as students, retirees, and entrepreneurs. It also means ensuring that the employees and companies that have been responsible for a community's growth continue to see a reason to remain in the area. National demographic trends, most notably the aging of the baby boomers, suggest that demand for workers may soon outstrip supply. As a result, competition for labor is expected to increase among companies as well as communities, even in times of higher unemployment. Focusing on the development, attraction, and retention of talent should, therefore, be an important part of any economic development strategy.

Goal Three Implementation Table

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going
A	Raise awareness of economic development opportunities among local residents and businesses.						
1	Use the roll-out of this plan to begin an internal awareness campaign.	CITY					
2	Establish a Business Leadership Academy program.	MEDA					
3	Leverage the MEDA board and Industrial Development Authority.	CITY					
4	Continue to host an annual <i>Economic Summit</i> .	CITY					
B	Initiate an external marketing campaign for Maricopa and its target industries.						
1	Build awareness throughout Phoenix, Arizona, and nation.	MEDA/CITY					
2	Build awareness among decision makers in target industries.	CITY					
3	Build awareness among site selectors.	CITY					

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development)

Estimated budget requirements (above current levels) and performance metrics are provided in the Implementation Matrix section beginning on page 53.

Strategy A: Raise awareness of economic development opportunities among local residents and businesses.

As with all successful marketing, it is critical to identify target audiences and to focus efforts on them. The primary target audiences for the City should be: 1) business leaders who can influence business location and other investment decisions, 2) key allies that could influence economic development prospects, 3) members of the state's various media outlets, and 4) decision-makers at companies within target sectors, both nationally and internationally. The most important audiences, however, are existing residents and businesses as they have already made some level of investment (both financial and emotional) in the community. They are also the ones who represent Maricopa on a daily basis in their business and personal interactions. Making sure that existing residents and local business leaders have a positive image of their community is critical to the success of any external campaign: these are the people who can best tell the "Maricopa story" to the outside world.

Action 1: Use the roll-out of this plan to begin an internal awareness campaign. City ED staff, with support from MEDA and the Chamber, should conduct a local awareness campaign for economic development to increase public support to finance specific recommendations (e.g., a new business park). Ideally, the roll-out of this strategic plan for Maricopa will increase the city's profile and will build enthusiasm and "buy-in" for its economic development efforts.

- The roll-out of this plan should also be used as a means for kicking off a new fundraising campaign for MEDA, highlighting the organization's specific roles in:
 - Business retention and expansion,
 - Entrepreneurship,
 - Workforce development, and
 - Infrastructure support.

- MEDA should consider working with a fundraising specialist to assist in this effort. TIP has worked with Convergent Nonprofit Solutions and considers their work to be top-notch (www.OutcomeDrivenConsulting.com).

Action 2: Establish a *Business Leadership Academy* program with the intent of using it as a vehicle for communicating economic development goals and understanding the needs of various groups in the community.

Responsible party: MEDA-led; Chamber support

Specific Tasks:

- In conjunction with the Leadership program, establish a Young Professionals Organization (YPO) group to help identify emerging community and business leaders (an excellent resource for YPOs is www.yppcommons.org).
- Investigate other ways for identifying current and future leaders within the community who represent various groups (e.g. professional, youth, minority, etc.).
- Identify local resources, such as CAC and the Chamber, who could assist in leadership development and schedule meetings or workshops to discuss possibilities.

Action 3: Leverage the MEDA board and Industrial Development Authority to: 1) build an awareness of Maricopa's core strengths among area business executives, and 2) provide information to spread a positive image of Maricopa in their business relationships outside the area. In essence, this group would act as an arm of Maricopa's overall marketing team.

Responsible party: City

Specific Tasks:

- Identify business and other leaders most likely to influence outside decision makers.

BENCHMARK: Friends of Lou

Louisville, K.Y.

Part of the Louisville Community Branding Project - "Possibility City."

Friends of Lou are informal ambassadors:

- Recruit people to the network
- Display "Friend of Lou" merchandise
- Generate buzz
- Membership offers "perks" – weekly newsletter, invitation to VIP parties & concerts, and a welcome pack.

Outcomes:

- Outside awareness of Louisville increased from 11% to 17% in three years
- 20,000 subscribers to the weekly mailing list
- 1,250 members in a Facebook group
- 160 members in a Flickr group- 844 photos
- You Tube Channel with 4895 views
- 1, 579 followers on Twitter

- Create a brief profile promoting Maricopa's positive aspects to be used by this marketing team (which could be both IDA board members as well as Chamber Ambassadors).
- Meet regularly with the marketing team, keeping them up to date on current initiatives, progress, and honing their marketing message.
- Create a mechanism for the marketing team to refer prospect leads to the City and MEDA.

Action 4: The City should continue to host an annual *Economic Summit* to keep local residents and business leaders abreast of the community's progress.

Strategy B: Initiate an external marketing campaign for Maricopa and its target industries.

The City should undertake a sustained external marketing campaign to generate and promote a progressive image of Maricopa. Marketing, advertising, and building a brand are key ways to interact with the area's target audiences and should be viewed as an investment to achieve the goals within this plan.

The following are the target sectors for Maricopa:

- Professional & business services
- Clean tech
- Healthcare services
- Agritech

See *Appendix A – Target Sectors* for more information for each target.

Action 1: Build awareness throughout Phoenix, Arizona, and nation. TIP recommends the City focus efforts on promoting and enhancing Maricopa's image throughout the Phoenix region and the state. Maricopa has already begun these activities at great lengths, with representation on regional and statewide industry boards (Arizona Association for Economic Development) and close relationships with regional groups and state agencies. Assets should be promoted through a combination of partner advertising, public relations, and networking.

Responsible party: City

Specific Tasks:

- Design and initiate an advertising campaign in partnership with appropriate partners using an agreed upon marketing theme. Maricopa should place advertisements in print and online via the *Phoenix Business Journal* and other regional publications promoting Maricopa's and specific development opportunities. Advertisements would include a unified logo and highlight specific projects and locational advantages for Maricopa. For print advertisement to be effective, however, it requires repeated exposure in the same market over sustained periods.
- Implement a public relations campaign targeted at regional publications. TIP recommends identifying key regional publications (such as East Valley Partnership's Gateway Magazine) and sending press releases about recent business successes. The initial press release should be to promote the success of the economic development plan and explain how local leadership worked together to determine the best opportunities for Maricopa.
- Continue to participate in joint marketing activities with organizations that can refer prospect leads, such as GPEC, CAREDF, the state, and area utilities.
- Identify other parties that could refer leads to Maricopa and set up a visitation schedule. Examples include local and regional construction firms, real estate brokers, banks, and service firms (legal and accounting), regional industry associations, and area universities (i.e., CAC, University of Arizona, Arizona



Founder's Day (above) and Stagecoach Days (below)



State). The visitation schedule should target three cities each year. The cities should be chosen based on the following criteria:

- New inquiries
- Relationships between existing companies and contacts in the target communities
- Presence of cluster companies in the larger metro areas

Action 2: Build awareness among decision makers in target industries. Specific recommendations include: producing one-page marketing summaries for each target sector, maintaining an up-to-date database of target companies, conducting a direct marketing campaign (direct mail and phone calls followed by visitation), and participation in key industry trade shows and events.

We recognize that many of these activities are already being conducted by the City. The challenge will be to identify results instead of generating “activity protocols.” In addition, a great deal of time and effort is needed in a support, or coordination, capacity within the City’s economic development department. To complete the following tasks in an effective manner, additional dedicated staff will be required.

Responsible party: City

Specific Tasks:

- Create database of companies in each target industry.
- Design marketing letters for each target industry.
- Initiate direct marketing program to each target sector.
- Initiate telemarketing campaign for appointment setting, which could include the hiring of a contract firm for call purposes.
- Conduct three call trips per year (see above) to regions where industry concentration is highest.

- Identify key industry associations for each industry sector.
- Develop in-house corporate intelligence program for each target industry.
- Participate in industry trade events. Ideally, these can be combined with metropolitan call trips. No more than one additional trade event should be scheduled (i.e., a total of four trips per year). It is further recommended that the trade event be associated with a smaller niche of the larger sector.
- Track success of campaign using contact management system.
- Evaluate effectiveness of each marketing channel (i.e., mail-outs, telemarketing, and trade events) and adjust marketing activities accordingly.

Action 3: Build awareness among site selectors. Many businesses (medium to large market) hire site consultants to assist in their evaluation of potential expansion sites. The City should create a database of these consultants, target them through direct marketing and a visitation program, and invite them to the area to see specific projects.

Responsible party: City

Specific Tasks:

- Continue to maintain and improve database of site consultants.
- Continue to maintain and update **site consultant information request database**.
- Initiate a site consultant visitation program. Call on consultants in major cities each quarter (Phoenix, San Diego, Los Angeles, Denver, Dallas, etc.) or in conjunction with attendance at trade shows or other events.
- Continue to develop the City's "fam tour" program in Maricopa, extending and growing its scope to include site consultants and regional industrial and commercial brokers. This program should be grown and enhanced in correlation with the latter stages of the plan's implementation, particularly

Site consultant database

The International Economic Development Council has prepared a comprehensive set of data standards for communities to use when presenting themselves to site selectors or prospective businesses. The data standards matrix is available at http://www.iedonline.org/Data_Standards.xls.

Additional guidelines for using the matrix are available at http://www.developmentalliance.com/pdf/white_paper_0206.pdf. Also, Expansion Management offers the "short list" database.

once the City has developed a business park. In addition, consideration should be given to significantly increasing program funding at that stage to allow for costs associated with travel and lodging of out-of-town visitors.

Goal Four: To be known as a community with a unique quality of place with the region.

GOAL 4 PRIORITIES:

1. Leverage educational & workforce partners.
2. Expand higher education.
3. Continue targeting retail and entertainment concepts.
4. Enhance place assets for tourism and talent attraction.

This economic development plan for Maricopa recognizes the need for the community to enhance its quality of place. Companies rely on the skills and talent of their workforce to gain a competitive advantage. Employers have discovered that one way to attract skilled workers is by locating in communities with a strong sense of place. This is because communities offering amenities are natural draws for young talent. Maricopa has already demonstrated its commitment to understanding many of these issues by funding the construction of a city-owned aquatic complex.

Maricopa also enjoys a number of “quality of place” assets, including the Southern Dunes Golf Course, the Duke at Rancho El Dorado Golf Course, Harrah’s Ak-Chin Resort and Casino, plentiful parks space, quality residential developments, and a setting beyond the sprawl of the Phoenix metropolitan region. In short, Maricopa has potential to distinguish itself from all other communities in the region.

Still, there is much work that needs to be done. Lacking a downtown, a diverse retail base, fine dining, and other entertainment amenities, Maricopa – we believe – will struggle to move beyond its current status as a bedroom community. In other words, Maricopa will find it difficult to attract higher wage, innovative employers without a boost to its quality of place and the attraction of executive housing options. We therefore recommend the City and partners continue to support and encourage diverse retail and the arrival of CAC. Moreover, this plan calls for leveraging the Heritage District in such a way as to make it an indispensable economic development asset. If these amenities are fully leveraged, Maricopa will realize its greatest opportunities for improving its regional image, especially among professional and technical services firms, as well as among those working in the healthcare industry.

Redefining PLACE

*Much has been written about the importance of **quality of life** to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. We agree these factors are important. We take issue only with the narrowness of the focus. Quality of life assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents’ view of what makes a community would be shared by all.*

*By contrast, **quality of place** considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. It recognizes that one person’s “good place to raise a family” might translate into another’s “there’s nothing to do in this town.” Quality of place is about providing options, not just for current residents, but also for those who will be residents in the future.*

Goal Four Implementation Table

STRATEGY / ACTION ITEMS			TIMELINE				
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going
A	Strengthen and leverage existing educational institutions, workforce development, and other training assets serving Maricopa.						
1	Continue to promote excellence in education.	MEDA					
2	Expand workforce development and other training programs.	MEDA					
3	Continue to support the establishment of a Central Arizona College campus in Maricopa.	CITY					
B	Continue to support the expansion of additional quality of place amenities.						
1	Continue with a coordinated retail attraction campaign.	CITY					
2	Continue to raise the profile of Maricopa as a tourism destination.	CHAMBER					
3	Continue to support redevelopment activities in the Heritage District.	CITY					
4	Continue to promote recreational opportunities in Maricopa.	CITY					

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development), CHAMBER (Maricopa Chamber of Commerce)

Estimated budget requirements (above current levels) and performance metrics are provided in the Implementation Matrix section beginning on page 53.

Strategy A: Strengthen and leverage existing educational institutions, workforce development, and other training assets serving Maricopa.

The importance of educational institutions and workforce training resources to economic development cannot be overstated. Employers must be assured access to trainable workers. At the same time, young adults, families with children, and even retirees are all drawn to locations that offer access to educational opportunities. As a result, support for the local public district and the addition of CAC to Maricopa should be seen as an essential economic development activity.

Maricopa leaders should continue to strive for excellence in education. Similarly, local workforce training programs also deserve the full support of the community. This is especially important if Maricopa is to remain competitive to a highly educated workforce.

Action 1: Continue to promote excellence in education.

Responsible party: MEDA

Specific Tasks:

- Encourage local K-12 institutions such as the Maricopa Unified School District (MUSD) and local charter schools to enhance and expand existing partnerships between it and regional higher educational assets, especially CAC.
- Encourage local K-12 to establish a formal internship/apprenticeship program to aid in the transfer of vocational students to entry-level positions among existing industrial employers and targeted industries.
- Encourage local K-12 to explore opportunities for expanding existing college coursework credit programs in area high schools.



Local production of *The Importance of being Ernest* (above) and Pecana Park (below)



Action 2: Expand workforce development and other training programs.

Responsible party: MEDA

Specific Tasks:

- Assist the local workforce investment area in facilitating of an annual Maricopa Workforce Development Summit to:
 - Better understand its labor force availability, talent assets, and training capabilities available for potential employers relocating to the county.
 - Maintain and solidify existing cooperative relationships between the workforce board, CAC, MUSD, and the business community.
 - Ensure that area businesses are made aware of potential workforce development incentives available to local businesses. Coordinate closely with area training programs to match business needs in Maricopa.
- Continue to coordinate efforts with education and workforce training suppliers to enhance internship/apprenticeship programs (if demonstrated need is determined through workforce development conference). The purpose of these efforts should be to aid in the placement of vocational/technology students with area employers.
- Explore opportunities for the expanded coordination of internship/apprentice programs at the high school level with CAC.

Action 3: Continue to support the establishment of a Central Arizona College campus in Maricopa.

Responsible party: City

Specific Tasks:**Benchmark*****Wichita Falls, Texas***

In April of 2007, the Wichita Falls Board of Commerce and Industry (BCI) created a 26-member task force composed of representatives of major employers, workforce resources, training programs, K-12 education, higher education institutions, and economic development organizations in the region. The task force came together to identify issues, evaluate existing Workforce Development programs, seek peer city input and prioritize recommendations on ways to improve local workforce issues.

The result has been a closer matching of employer needs and target industries with regional training resources. In addition, several new initiatives have been launched to improve high school graduate work readiness and to educate students about technical careers.

For more information visit:

<http://www.wichitafallcommerce.com/WD/>

- Continue to meet with CAC to communicate the economic development goals for Maricopa, including targeted sectors and specific programming or facility needs that would come from them, especially healthcare.
- Attempt to participate in the master plan for the campus to ensure quality development that reflects the design of the nearby city center development.

Strategy B: Continue to support the expansion of additional quality of place amenities.

Maricopa enjoys a number of “quality of place” assets, including outdoor recreation opportunities, a warm climate, and a unique geographic setting in the Phoenix metropolitan area. In addition, the redevelopment of the Heritage District and new aquatic and multigenerational centers will further build on these assets. TIP believes that the chance to enhance these collective amenities should not be overlooked as they provide Maricopa with one of its best opportunities for improving the community’s regional image, especially among professional and healthcare workers and retirees.

Action 1: Continue with a coordinated retail and entertainment attraction campaign. In addition to providing a source of tax revenue, retail is increasingly seen as an amenity without which other economic sectors find it difficult to recruit workers. While traditional theory sees retail as a spin-off effect from the manufacturing sector, many successful communities now recognize that a thriving retail sector helps attract large employers to a community.

Responsible party: City; Chamber support

Specific Tasks:

- Continue to conduct retail market analyses in order to have the most requested information on hand and available to retail prospects.

- Continue to periodically conduct an assessment of Maricopa's retail market area to help area leaders better understand the current state of retail and examine opportunities for future expansion, especially in light of recently released Census figures. This research should analyze consumer expenditure patterns in the area, document the needs of existing retailers, identify current "gaps," "leakages" occurring to Chandler and Phoenix, and opportunities for retail development in the Maricopa, and provide information on site location factors for existing and potential retailers.
- Attend annual trade shows to market the community to potential retailers and commercial developers

Action 2: Continue to raise the profile of Maricopa as a tourism destination. As the state designated local office for tourism, the Chamber should continue to lead tourism developments for the Maricopa area.

Responsible party: Chamber; City support

Specific Tasks:

- Continue to work with relevant stakeholders to support retail and tourism development in Maricopa, including representatives from the City, Heritage District advocates, related developers, as well as tourism-related entities (i.e., Harrah's Ak-Chin Casino, Southern Dunes Golf Course).
- Link retail and tourism. Retail development must be viewed with an eye towards capitalizing on the area's tourism potential. Maricopa has a number of assets in this regard—most notably the presence of Harrah's Ak-Chin Casino and Southern Dunes Golf Course. Local tourism initiatives must be treated as a retail strategy. In other words, attracting tourists only benefits Maricopa directly if the City has a mechanism for capturing retail sales dollars.

Action 3: Continue to support redevelopment activities in the Heritage District. The redevelopment of the Heritage District offers Maricopa a unique opportunity to develop amenities attractive to a diverse population. During the last two decades, young families and professional talent have become increasingly interested in vibrant, urban environments. Unfortunately, Maricopa is lacking in historic building stock that would be conducive to historic rehabilitation and adaptive reuse. That said, the Heritage District does provide a suitable location for the eventual construction of a pedestrian friendly, boutique retail and entertainment environment. Exurban and suburban communities around the nation have seen the development of “downtown” destinations for culture, specialty shopping, and entertainment.

Responsible party: City; Chamber support

Specific Tasks:

- Continue to work with the Heritage District redevelopment group with the goal of rendering the area into a unique destination for the Phoenix metropolitan region.
- Continue to make public sector investments as a means for stimulating private sector developments in the Heritage District, including:
 - Resolving the provision of water/wastewater services to allow for the build out of the property.
 - Working with private developers to ensure all properties are no longer in the flood plain.
 - Relocating the Amtrak station to the west of SR 347 and creating a center of transit related activity while capitalizing on the unique asset of Amtrak.
- Raise awareness of the Heritage District throughout the region as a means for enhancing Maricopa’s image. This effort should be coordinated with the City’s overall economic development marketing initiatives.

Action 4: Continue to promote recreational opportunities in Maricopa. As part of the overall marketing and branding initiative, including for economic development, the City should continue to promote its outdoor recreational assets. Specifically, the City should work closely with the Ak-Chin Indian Community to enhance the visibility of the Southern Dunes Golf Course in the region, as well as the City's unique neighborhood parks for biking and jogging. Once completed, the aquatic and multigenerational centers will provide the City with an additional amenity to promote.

Responsible party: Chamber; City support

IMPLEMENTATION MATRIX

GOAL 1: ACTIONS

STRATEGY / ACTION ITEMS			TIMELINE					BUDGET <i>(Beyond current levels)</i>
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going	
Goal One: Align resources and build capacity for economic development.								
A	Build local capacity for economic development. (metrics a, m)							
1	Determine organizational responsibilities for economic development in Maricopa.	JOINT						
2	Continue to build internal resources for economic development (metric: a)	CITY/MEDA						\$85,000 / \$60,000 ⁽²⁾
3	Pursue financing to fund economic development programs and projects. (metric: m)	CITY/MEDA						
B	Pursue retention and expansion efforts for existing businesses. (metrics b, c)							
1	Continue to maintain an inventory of local businesses. (metric: c)	ALL						
2	Place periodic calls with existing employers. (metric: b)	ALL						
3	Continue to survey area businesses. (metric: c)	ALL						
4	Ensure that local businesses and industries remain aware of any technical and financial assistance programs.	ALL						
C	Support local entrepreneurs in the start-up of new business. (metrics d, e, g, h, i, j, p)							
1	Enhance the existing entrepreneurship support program. (metric: d, e, g)	ALL						\$5,000 (business plan award)
2	Facilitate financing for local entrepreneurs. (metric: h, i, j)	MEDA / CHAMBER						
3	Build a local climate that embraces and celebrates entrepreneurship. (metric: p)	ALL						

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development)

(2) \$85,000 to City for additional City staff salary, benefits and associated costs; \$7,500 to MEDA based on attendance at IEDC one week course and attendance at IEDC conference for test & \$40,000 based on increased staff time and part-time support for research/BRE efforts.

GOAL 1: METRICS

SUGGESTED METRIC	TARGET	DATA SOURCE	GOALS
a. Capital campaign contributions	TBD	MEDA, City, Chamber	A2
b. Number of calls to existing employers	24/year (2 per month)	MEDA, Chamber	B1
c. Number of companies surveyed annually	Addition of 20 annually	e-Synchronist system	B2
d. Number of networking/training events hosted	4/year (quarterly)	Chamber	C1
e. Entrepreneurs Forum established with monthly meetings	8/year (monthly or bi-monthly)	MEDA, Chamber	C1
f. Number of companies assisted (start-ups)	10/year	MEDA	C3
g. Number of mentor / entrepreneur and mentor / startup matches made	3/year	MEDA, Chamber	C1
h. Number of entrepreneur business plan presentations made to potential funders	3/year	MEDA	C2
i. Number of visits to local lenders	1/month	MEDA, Chamber	C2
j. Number of loans made (<i>assumes revolving loan fund established</i>)	10/year	MEDA	C2
k. Number of new businesses formed in traded sectors (i.e., exporting of goods and services outside the region)	5/year	City business license records	C3
l. Number of jobs resulting from new business formation in traded sectors	100/year	City business license records or company interview	C3
m. Amount (\$) of investor capital raised, including banks	\$1 million	MEDA	A3
n. Number of exit events (e.g., IPOs, acquisitions)	1/year	MEDA	C1
o. Number of students completing entrepreneurship training (<i>assumes curriculum implemented in local high schools</i>)	25/year	MEDA	C1
p. Number of stories published about Maricopa economic development in <i>Phoenix Business p. Journal</i> or other relevant regional or national trade publication	1/month	City	C3

GOAL 2: ACTIONS

STRATEGY / ACTION ITEMS			TIMELINE					BUDGET (Beyond current levels)
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going	
Goal Two: Ensure that employers can find a place to do business.								
A	Plan for adequate sites and infrastructure to support business development and attraction in Maricopa. (metric a)							
1	Update development processes, zoning code, and land use plans.	CITY						\$200,000 ⁽²⁾
2	Participate in the development of office space to promote Maricopa as a regionally competitive location.	CITY						\$6,750,000 ⁽³⁾
B	Assist in the development of a business park to attract industrial employers. (metrics d, g, h, i)							
1	Determine a plan for the creation of the business park.	CITY						\$50,000 ⁽⁴⁾
2	Develop the necessary infrastructure and the site. (metric: d, g, h, i)	CITY						TBD
3	Market the business park.	CITY						\$25,000 ⁽⁵⁾
C	Ensure the City includes mixed-use activities in its development plans for the new city center. (metrics a, b)							
1	Continue to meet with relevant parties (e.g., City staff, architects/engineers) to advocate for the inclusion of mixed-use activities in the new city center. (metric: a)	CITY						
2	Build political support for the build out of the city center as a multipurpose destination.	CITY						
3	Develop a public/private partnership strategy to encourage and incent private investment at the city center location. (metric: b)	CITY						

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development)

(2) Based on general industry understanding of the cost for a full zoning code rewrite

(3) Based on Phoenix area construction costs: <http://www.realestateinvestmentcenter.com/locations/74454-arizona-phoenix>; Budget expenditures listed for this item area anticipated to be expenditures made by the private sector and not intended for the City to provide.

(4) Feasibility/engineering/cost estimates. Costs may be offset by including an engineering firm that would participate in the project.

(5) Development of materials, local and regional awareness building campaign, and participation in key site consultant and target sector events

GOAL 2: METRICS

SUGGESTED METRIC	TARGET	DATA SOURCE	GOALS
a. Number of contacts made with area developers and brokers	4/month	City	A1
b. Number of attendees at annual developer meeting	20 from Greater Phoenix area	City	C3
c. Number of marketing materials distributed	20/month	City	
d. Office square footage added to local market	40,000 sf total over 2 years Additional 20,000 next two years (total of 60,000 sf by 2015)	City	B2
e. Occupancy rate for proposed commercial building (<i>Strategy A, Action 2</i>)	> 70%	Building owner	A2
f. Number of professional services jobs retained or created	50/year	City business license records	
g. Industrial square footage added to local market	TBD based on recommended feasibility analysis	City	B2
h. Industrial occupancy rate in local market	TBD based on recommended feasibility analysis	Survey of brokers or submarket data for Pinal County, Colliers, CoStar database	B2
i. Number of industrial jobs retained or created	TBD based on recommended feasibility analysis	City business license records	B2

GOAL 3: ACTIONS

STRATEGY / ACTION ITEMS			TIMELINE					BUDGET <i>(Beyond current levels)</i>
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going	
Goal Three: Raise awareness of economic development opportunities.								
A	Raise awareness of economic development opportunities among local residents and businesses. (metrics b, c, d, e)							
1	Use the roll-out of this plan to begin an internal awareness campaign. (metric: c, d)	CITY						\$2,500 roll-out event with regional and state leadership
2	Establish a Business Leadership Academy program. (metric: b)	MEDA						\$2,500 for associated costs
3	Leverage the MEDA board and Industrial Development Authority.	CITY						
4	Continue to host an annual <i>Economic Summit</i> . (metric: e)	CITY						\$2,500
B	Initiate an external marketing campaign for Maricopa and its target industries. (metrics f, g, h, i, j, k, l)							
1	Build awareness throughout Phoenix, Arizona, and nation. (metric: f, g)	MEDA/CITY						\$50,000
2	Build awareness among decision makers in target industries. (metric: g, h, l, l)	CITY						\$25,000
3	Build awareness among site selectors. (metric: f, j, k)	CITY						\$5,000 (including site selector tour)

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development)

GOAL 3: METRICS

SUGGESTED METRIC	TARGET	DATA SOURCE	GOALS
a. Capital campaign contributions	TBD	MEDA, City, Chamber	ALL
b. Number of members in Young Professionals Organization	40	MEDA	A2
c. % of local residents aware of local economic development efforts	measurable annual increase	MEDA, City, Chamber	A1
d. Number of visits to MEDA website	average of 60/month by month 12	MEDA	A1
e. Number of attendees at annual Economic Summit	100	City	A4
f. Number of ad placements (focused on on-line marketing opportunities)	1/year for each of 4 publications (including websites)	City	B3
g. Number of stories published about Maricopa economic development in <i>Phoenix Business Journal</i> or similar regional or national trade publication	1/month	City	B1/B2/B3
h. Number of visits to potential lead generation organizations/partners	4/year	City, MEDA	B2
i. Number of direct mail marketing letters sent to target industries contacts	4/year/industry sector	City	B2
j. Number of direct marketing campaigns to site selectors/consultants	4/year	City	B3
k. Number of call trips set	3/year	City	B3
l. Number of appointments	30-40/year	City	B2
m. Number of business relocations announced	1 in 2011 3/year thereafter	City	ALL
n. Jobs created from new business recruited to area	≥ 50 in 2011 ≥ 150 / year thereafter	City	ALL
o. Median wages of new jobs created	110% of regional median wage	Incoming business	ALL

GOAL 4: ACTIONS

STRATEGY / ACTION ITEMS			TIMELINE					BUDGET <i>(Beyond current levels)</i>
	Description	LEAD ⁽¹⁾	0-6 mos.	6-12 mos.	12-36 mos.	36-60 mos.	On-going	
Goal Four: Promote and enhance quality.								
A	Strengthen and leverage existing educational institutions, workforce development, and other training assets. (metrics a and d)							
1	Continue to promote excellence in education. (metric: a)	MEDA						
2	Expand workforce development and other training programs.	MEDA						
3	Continue to support the establishment of a Central Arizona College campus in Maricopa.	CITY						
B	Continue to support the expansion of additional quality of place amenities. (metrics b, c, d)							
1	Continue with a coordinated retail attraction campaign. (metric: b)	CITY						
2	Continue to raise the profile of Maricopa as a tourism destination. (metric: c)	CHAMBER						\$10,000 in marketing
3	Continue to support redevelopment activities in the Heritage District. (metric: c, d)	CITY						
4	Continue to promote recreational opportunities in Maricopa.	CITY						

(1) LEGEND: MEDA (Maricopa Economic Development Alliance), CITY (City of Maricopa Economic Development), CHAMBER (Maricopa Chamber of Commerce)

GOAL 4: METRICS

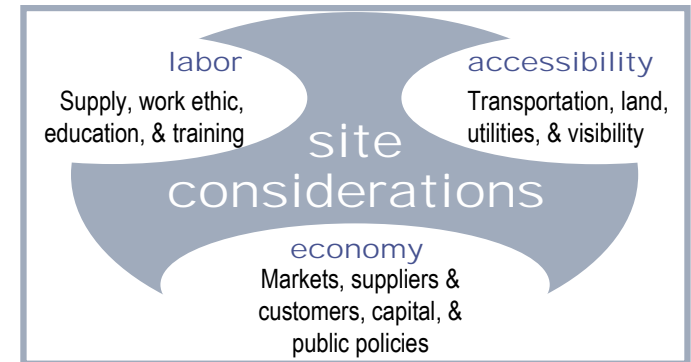
SUGGESTED METRIC	TARGET	DATA SOURCE	GOALS
a. Number of workforce board meetings attended	4/year	MEDA	A1
b. Increase in retail sales tax collections	Based on historical trends	City	B1
c. Greater tax base diversification (increased commercial share of revenues)	Improvement from historical trends	City	B1
d. Increased jobs to housing ratio	Improvement from historical trends	City	ALL
e. Increased median household income	Improvement from historical trends	City	ALL

Appendix A – Target sectors

Methodology

The selection of target sectors is traditionally bound to an assessment of only a few determinant factors, such as access to an available workforce, industrial sites, and incentives. Our target industry recommendations are not based solely on these factors, but also on conversations with the region's business leaders to better understand potential opportunities and challenges that might not be readily identifiable through secondary data sources alone. For example, employment data analysis would not reveal that the business services sector is a viable opportunity for Maricopa, given the lack of existing employers. The TIP team also brings to bear its understanding of broader macroeconomic and social trends, such as consumption patterns/consumer spending, emerging markets/international trade, and demographic shifts/aging workforce to better understand long-term recruitment and development prospects. Finally, TIP also strongly takes into consideration how the potential targets might fit within the overall vision for the city and the strategic framework of the economic development plan, as well as how each might affect Maricopa's attractiveness to existing and future residents. In sum, TIP identified target sectors for Maricopa, using a three-pronged approach: **quantitative**, **qualitative**, and **strategic**.

TIP examined both traditional and nontraditional target opportunities for Maricopa. Traditional targets represent the types of industries that have historically been marketed to by economic development organizations. These might typically include traditional manufacturing sectors as well as other related industrial and/or transportation activities. Traditional targets often represent the first tier of economic opportunity. Due to a number of factors, including location limited transportation access, and demographics, Maricopa is not the ideal community for most traditional targets. As a result, the TIP team considered a number of other non-traditional targets to assist in diversifying the county's economy in higher growth sectors. These sectors pose unique challenges for economic development practitioners and require the creative use of marketing and non-traditional tools to achieve success. For example, many opportunities may only be presented through the community's ability to identify niches within emerging sectors, which tend to be strongly tied to innovation and the retention and attraction of talented professionals.



TARGET SECTORS

- Professional & technical services
- Clean tech
- Healthcare services
- Agritech

PROFESSIONAL & TECHNICAL SERVICES

National industry trends:

Professional, technical, and scientific services, as an industry, has been one of the primary generators of employment growth and economic vitality for the last 20 years and is expected to remain a critical driver for the foreseeable future. While overall manufacturing employment has remained stagnant since the early 1970s, services employment has tripled. In other words, the U.S. has essentially transitioned from an economy based on producing goods to one that provides services. In fact, the greater business and professional services sector — of which professional, technical, and scientific services is a subset — has emerged as the backbone of the modern American economy. This broad sector includes a great number of activities, such as advertising and marketing, consulting, management services, technical and scientific research and design, and financial, insurance, and real estate services. One of the primary factors behind the sector's job growth is a marked increase in entrepreneurship in the American economy.

With the exception of technical services, which typically follow a specific, specialized customer base, business and professional services is broadly driven largely by three primary factors: proximity to customers, access to an educated workforce, and quality of life considerations. By and large, these assets are found in abundance primarily in larger metropolitan regions. Technical and scientific services tend to be more specialized and tied to a specific export sector and/or regional research capacity.

In addition, the presence of a well-developed business and data services sector is important in the growth of software and other information technology (IT) enterprises. The presence of a strong local software and IT sector has become critical as their use comprises an increasing share of the value of all products and services. This trend will likely only be compounded in the future as technological advances continue to revolutionize both “high tech” and traditional industries alike.

Definition

Professional and technical services sector includes those firms that provide support services to a variety of companies. The industry sector includes both professional services, such as legal, accounting, and marketing, as well as more basic support services, such as document reproduction and data processing. It also includes technical services, such as information technology, software, and telecommunications.

Selection Rationale:

- Higher wage and growing sector, nationally and regionally.
- Alignment with existing clusters, regionally and locally.
- Potential for entrepreneurship.
- Skills of local workforce.
- Ability to serve existing needs (local professional services) in local market and support growth in other targets.

PROFESSIONAL & TECHNICAL SERVICES (cont'd)

Sector requirements:

- Availability of Class A office space, tech/flex space, and research and technology parks
- Proximity to customers.
- High visibility or “prestige” development sites
- Broadband internet connectivity
- Access to educated, younger workforce
- Quality of place, including executive housing; schools; entertainment, recreational, and retail amenities; and overall image of community within a region.

NICHES

- Software and IT services
- Data storage
- Other back office support operations
- Engineering, testing, and design services
- Other telecommunication services

Recommendations/considerations:

- Leverage and expand existing professional networks.
- Promote sites for mix-use office development, especially in the new city center and along John Wayne Parkway.
- Enhance entrepreneurship program to support startup businesses in Maricopa.
- Pursue back office locations for administrative functions (i.e., data storage and call centers) in the proposed business park.
- This sector is difficult to market, according to traditional economic development practices. Raising Maricopa's profile and providing office, as well as tech/flex space, will be critical to the community's success in garnering investment from these companies.

PROFESSIONAL & TECHNICAL SERVICES

NAICS	Description
518210	Data processing, hosting, and related services
5411-	Legal services
5412-	Accounting, tax preparation, bookkeeping
541381	Testing laboratories
541511	Computer systems programming services
541513	Computer facilities management services
561110	Office administrative services
561422	Telephone call centers

CLEAN TECH (green building & clean energy)

National industry trends:

GREEN BUILDING > As climate change emerges as a major policy priority, it is also rising as a priority for businesses that seek to capitalize on sustainability issues for profit as much as for their public image. Businesses increasingly find that “greening” the construction sector provides significant bang for the buck. In Britain, for example, construction and real estate-related activities make up just 10 percent of the economy, but these industries are responsible for half of the country’s greenhouse gas emissions. This has prompted property investors and developers to take a more serious look at sustainable building techniques and “green building” materials. In the U.S., the Green Building Council developed a LEED (Leadership in Energy and Environmental Design) certification program a few years ago that has quickly gained acceptance. LEED certification is now actively sought by many developers as well as buyers and tenants. About six percent of commercial buildings constructed in the U.S. now apply for LEED certification and this percentage is expected to rise in the coming years.

Developers and investors are doing this for profit as well as for environmental reasons. Because energy accounts for one-quarter to one-third of a commercial structure’s operating expenses, reducing those costs can be a powerful incentive. As the trend toward sustainable building techniques and green building materials diffuses to more developers, investors, and individuals, the burgeoning market for green building products is poised for growth once the current over-supply of residential and office space is absorbed. Many of the manufacturers and distributors of these products may find it helpful to have a presence in fast-growing states like Arizona. Maricopa’s proximity to Phoenix and Tucson could prove an advantage for production or distribution to these markets. This is especially true since one of the tenets of the LEED certification is that a high percentage of materials be produced locally.

CLEAN ENERGY > The emergence of global warming as a serious political issue in the U.S. coincided with fluctuations in energy prices and deregulation of many state electricity markets. This perfect storm of events created enormous interest in the development of energy sources and production technologies as an alternative to hydrocarbons, such as petroleum, natural gas, and coal. Large corporations from Wal-Mart to Dell Computer are now implementing significant steps toward reducing their carbon emissions. If investment

Definition

Green building refers to the design, manufacture, and marketing of materials that promote efficiency and environmentally friendly technologies. Activities include the research and development of materials and systems, manufacture of building components, and final assembly of complete systems. Some definitions are also stretched to include building “systems” such as concrete, modular, and panelized products. In addition, “integrated” building systems tend to use a greater degree of information technology in the design and operation of new homes and commercial buildings.

Innovative technologies in the **energy** sector usually involves renewable or “sustainable” sources of fuel, but may also include applications to harness the potential of fossil fuels in much cleaner ways. Those power sources most commonly associated with “clean energy” potential include solar, wind, biomass, energy-from-waste, fuel cells, alternative batteries, and hybrid engines. The R&D, manufacture, and deployment of these types of innovations are grouped under the broadly defined category of “energy technology”.

Selection Rationale:

- Alignment with existing clusters and targets, regionally and locally.
- Leverage previous success in attracting investment from biomass and ethanol.
- Position Maricopa for eventual construction rebound within region (green building).
- Position Maricopa within region as sustainable community.

capital continues to flow into energy technology and if customers buy the products, then new and expanding businesses can be anticipated in this sector.

Those places that recognize and capitalize on this trend position their regions for future job growth. These and other factors (e.g., climate concerns) have prompted a serious reconsideration of “alternative” and/or renewable energy resources, such as wind, solar, biomass/biofuels, hydrogen fuel cells, nuclear, and “clean-burning” coal among others. Moreover, the current administration’s emphasis on federal financial support and incentives for “alternative energies,” as well as pending legislation regarding capping greenhouse emissions, should provide additional stimulus to research and development in this sector for the next several years.

Regional and state economic development allies have placed a high priority on attracting clean energy investment, especially solar. For example, the announcement of Suntech, one of the world’s largest photovoltaic cell producers, to locate in the Phoenix region as well as First Solar’s new Mesa facility points to this industry’s potential. With the development of a business park to site light industry manufacturers, Maricopa should piggyback on the region’s successes. Moreover, existing and planned investments in ethanol and biomass indicate that Maricopa could see opportunities not present for other Arizona communities.

Sector requirements:

- Proximity to concentrations of energy-related customers and research facilities
- Access to educated workforce
- Availability of Class A office space, tech/flex space, and research and technology parks
- Access to power sources and major transmission lines
- Access to research and development
- Access to capital networks to provide financing for startups
- Light industrial, distribution space (green building); general purpose manufacturing for production, general purpose flex space for research and development (energy technology)

NICHES

GREEN BUILDING:

- Energy efficiency systems
- Weather-proofing systems
- Computer systems integration
- Modular or prefab buildings design and assembly

CLEAN ENERGY:

- Ethanol production
- Energy-from-waste
- Applied technology development in alternative energies (solar & biomass)
- Related manufacturing (advanced structural composites, photovoltaic cells, etc.)

Recommendations/considerations:

- Continue to assist in the development and expansion of the biomass plant.
- Encourage and support green building standards in the construction of public buildings to stimulate local market and investment (e.g., new city center).
- Partner with U of A and USDA research capabilities to explore local potential for biofuels innovation and investment.
- Link local strategies to capitalize on regional and state efforts for expanding renewable energy technology investment.
- Embrace clean tech within all marketing materials, drawing linkages to sustainability and how it relates to healthy living and wellness.
- Establish the proposed business park.

CLEANTECH

NAICS	Description
GREEN BUILDING	
236117	Modular housing, residential, assembled on site by operative builders
238990	All other specialty trade contractors
321991	Manufactured home (mobile home) manufacturing
332311	Prefabricated metal building and component manufacturing
541310	Architectural services
541340	Drafting services
541420	Industrial design services
541511	Custom computer programming services
541512	CAD (computer-aided design) systems integration design services
541710	Engineering research and development laboratories or services
561621	Security systems services
CLEAN ENERGY	
221119	Electric power generation (except fossil fuel, hydroelectric, nuclear)
325193	Ethanol manufacturing
334413	Semiconductor and related device manufacturing
334419	Other electronic component manufacturing
541330	Engineering services
541712	Research and development in physical, engineering & life sciences

HEALTH SERVICES

Industry trends:

Access to healthcare, both primary care and emergency care is viewed as both a quality of life issue for residents and an economic issue for communities. The presence of healthcare facilities is also seen as key in location decisions for most industries. Access to healthcare is an important factor in corporate location decisions for a number of reasons, including proximity to emergency medical services for industrial employers as well as the quality family care and ambulatory medical services for white collar professionals and their families.

With the continued loss of manufacturing jobs, once the most critical driver in local economic development, communities are becoming more reliant on the healthcare industry as a source of employment and tax revenue. Growth in the U.S. healthcare sector is largely driven by two major factors: population growth and an aging population. As the Baby Boom generation approaches retirement age, a larger share of all consumer-spending in the nation is being spent on healthcare related expenses. Maricopa, with a an expanding retiree population coupled with the many young families who now call it home will undoubtedly see increased demand for local healthcare services.

Much like other economic sectors, American healthcare is undergoing a profound transition through the increased use of information technology to improve efficiencies in services and treatment of disease. In some ways, the sector has been late in adopting **health informatics**; however, recent efforts to curtail rising expenses (including the recently passed health insurance reform bill) are expected to increase the demand for related products and services.

Definition

Healthcare services include establishments providing health care for individuals, including ambulatory health care services and hospitals. The services provided by establishments in this sector are delivered by trained professionals. All industries in the sector share this commonality of process, namely, labor inputs of health practitioners with requisite expertise.

Health informatics is an emerging field combining advances in information technology and health care and includes software for electronic medical records, portable devices used in aiding diagnoses, and other decision support systems.

Selection Rationale:

- Higher wage and growing sector, nationally and regionally.
- Alignment with existing health and wellness target.
- Ability to serve existing health services needs in local market.
- Leverage success of recent Banner Health announcement.
- Anchor institution for local community.

HEALTH SERVICES (cont'd)

Sector requirements:

- Availability of trained or trainable healthcare workforce (i.e., semi-skilled healthcare aides, registered nurses, healthcare technicians, highly trained doctors)
- Proximity to institutions of higher learning and medical schools (research and development and healthcare training facilities)
- Proximity to population growth centers and retiree destinations
- Availability of medical and professional office space
- Broadband internet connectivity
- Access to educated, younger workforce
- Quality of place, including executive housing; schools; entertainment, recreational, and retail amenities; and overall image of community within a region.

Recommendations/considerations:

- Assist in the development of business plans for independent healthcare providers as part of entrepreneurship as well as business, expansion, and retention programs.
- Coordinate health informatics target initiatives with professional & technical services targets.
- Continue to support the development of office space to assist in attracting small healthcare service providers and private-practice physicians.
- Continue to support the expansion of healthcare-related programs offered by CAC and MUSD to supply labor for the healthcare services sector.
- Continue to actively engage Banner Health to increase its presence in the community.

NICHES

SHORT-TERM:

- Pediatrics services
- Primary care & family/general practice
- OB/GYN

MID- & LONG-TERM:

- Therapeutic care
- Specialty care
- Ambulatory surgery
- Acute care hospital

HEALTH SERVICES

NAICS	Description
621111	Offices of physicians
6213-	Offices of other health care practitioners
62149-	Other outpatient care centers
621511	Medical laboratories
621512	Diagnostic imaging centers
6221-	General Medical and Surgical Hospitals

AGRITECH

Industry trends:

During the last century, farming practices became increasingly technologically dependent, increasing productivity, yields, and diminishing the needs for manual labor. Much like any other sector, agriculture is currently reaping the benefits from the research and development of new technologies, including pesticides and herbicides, large-scale irrigation projects, synthetic fertilizers, and genetically-altered crop varieties. This presents an opportunity for communities to stimulate affiliated business development, especially those with higher educated workers and access to agricultural research.

Agritech's scope is broad, resulting in a mixed outlook across the industry. Current advancements, including genetically modifying plants or animals and pharmaceutical manufacturing, have increased crop yields and lowered susceptibility to disease. Moreover, advances in agritech are expected to continue increase America's agricultural exports, especially to larger developing countries such as India and China. Other industries within the sector (e.g., veterinary services or testing laboratories) will also continue to experience increases in employment and revenue.

Agritech also has many opportunities to support advancements and growth in other sectors. Synergies with biotechnology are obviously already being realized, mainly in pharmaceutical production and laboratory research. In addition, technology is also being applied to produce renewable energy in the forms of ethanol and biomass. Finally, many software programs have been developed to aid farmers in the production process, from timing advanced irrigation systems to supplying produce over the Internet.

Home to the University of Arizona's Maricopa Agricultural Center, as well as the U.S. Department of Agriculture's Arid-Land Agricultural Research Center, Maricopa is at a competitive advantage in the region and has already seen interest from innovators in agriculture and crop production. Moreover, the potential presence of both biomass and ethanol production plants could provide a catalyst for research in energy-related agricultural research.

Definition

The agricultural technology (agritech) sector includes firms that utilize distinct technology to improve efficiency in the agricultural production process. This sector includes botanical businesses that supervise greenhouse production of plants or crops, as well as those that specialize in research into disease and pest control for crops. This sector also includes businesses engaged in livestock care and production, including veterinary services, feed production, and genetic research.

Selection Rationale:

- Agricultural heritage.
- Presence of University of Arizona and USDA.
- Ability to support clean tech (bio-energy) target.
- Assist in promoting image as sustainable community in region.

AGRITECH (cont'd)

Sector requirements:

- Available land water.
- Access to agricultural research and development, especially energy related.
- Skilled workforce.
- Access to capital networks to provide financing for startups.
- General purpose manufacturing for production, general purpose flex space for research and development.

Recommendations/considerations:

- Continue to support for existing research and development occurring at the USDA and University of Arizona facilities.
- Promote the establishment of new CAC programs devoted toward supporting agritech.
- Link entrepreneurial development strategies with agritech.
- Include sector within economic development marketing materials. Consider developing a theme of sustainability to link agritech, clean tech (green building and clean energy) with local outdoor recreational assets and Maricopa's natural resources.

NICHES

- Agritechnology research and development
- Experimental crops
- Crops to support biomass and ethanol production

AGRITECH

NAICS	Description
325193	Ethanol production
541620	Environmental consulting services
541690	Other scientific and technical consulting services
541711	Biotechnology research and development laboratories or services in agriculture
541712	Agriculture research and development laboratories or services

APPENDIX B – DEMOGRAPHIC & ECONOMIC ASSESSMENT

Methodology

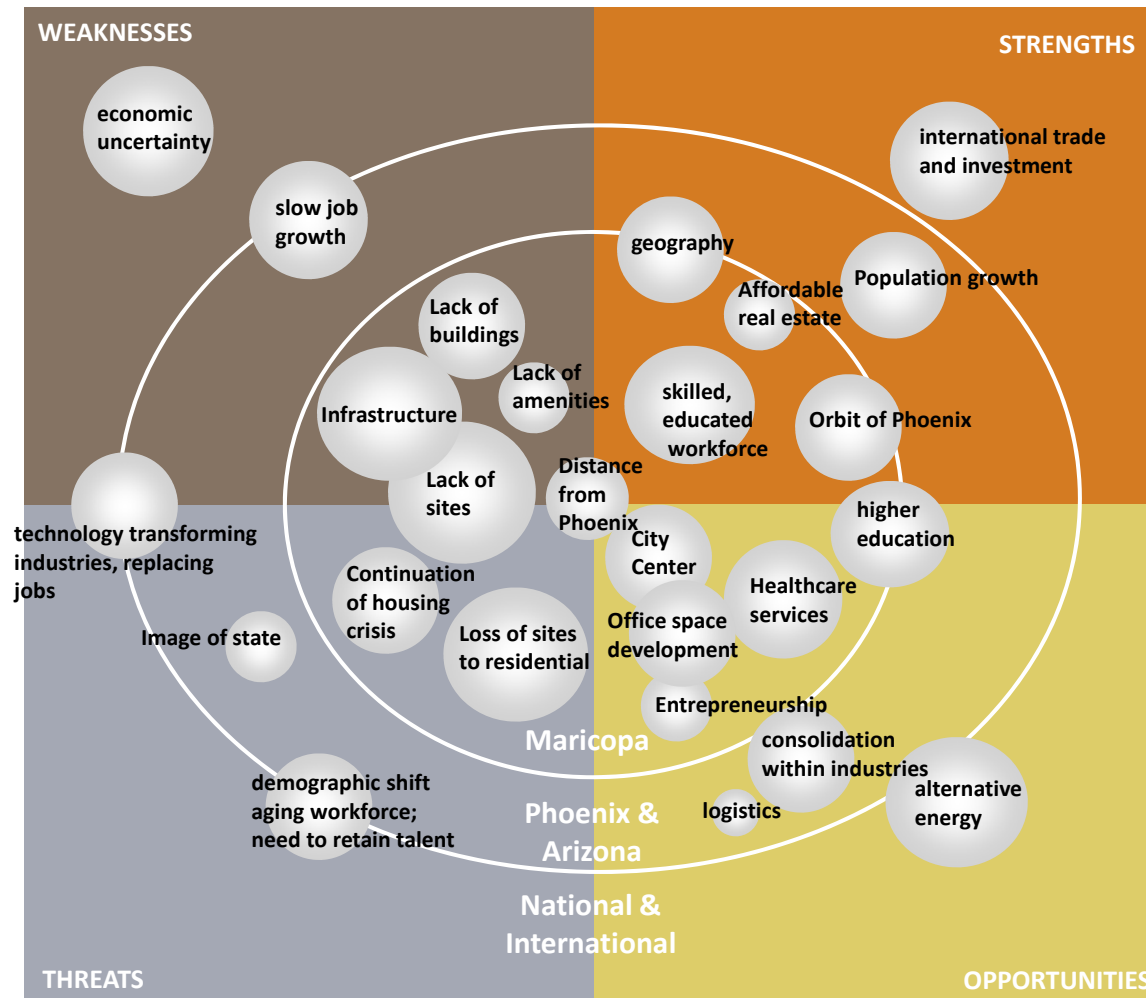
The primary goal for the following assessment is to arrive at a common understanding of Maricopa's unique economic strengths, weaknesses, opportunities and threats. This analysis is expressed in the context of the national economy as a means for understanding Maricopa's relative position within the greater region and highlighting its competitive advantages.

For this socioeconomic assessment, TIP included an analysis of the following:

- Demographics
- Migration and mobility
- Local economy
- Regional trends

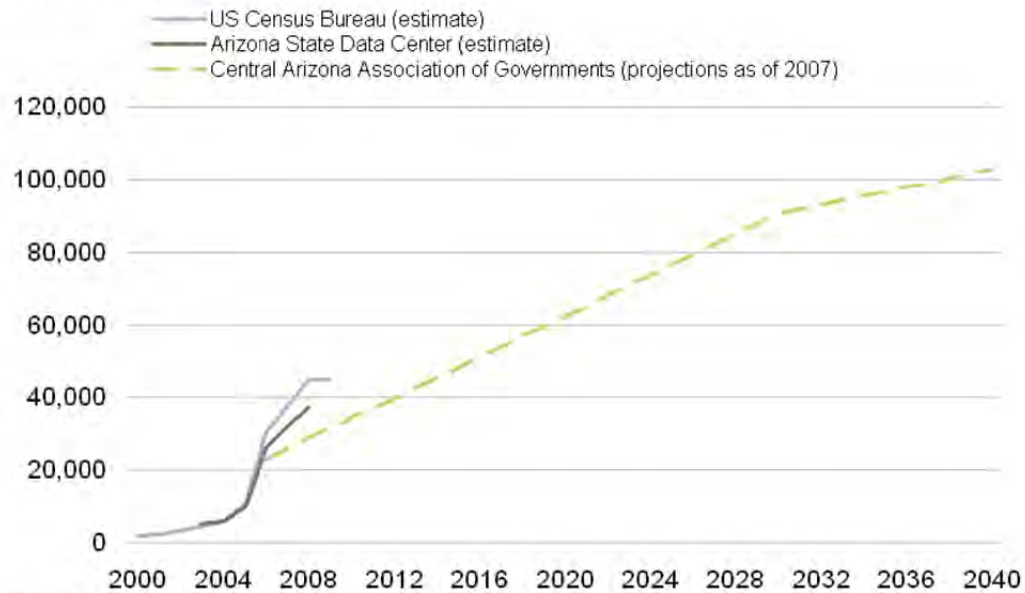
SWOT

TIP conducted an economic development SWOT analysis (strengths, weaknesses, opportunities, and threats) for Maricopa, based on a review of economic and demographic characteristics, interviews with local/regional business and community leaders, and our experience working with communities across the country. The following table captures the major findings from this analysis:



Maricopa's population

Estimates and forecast



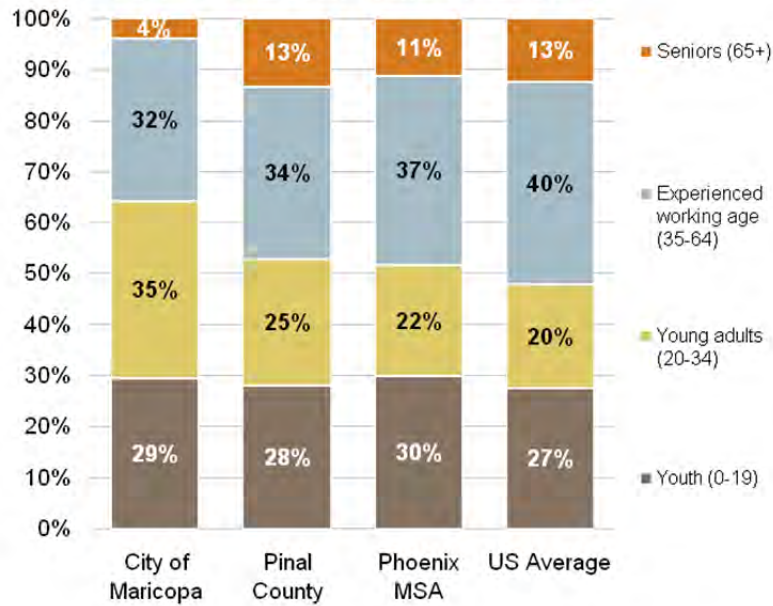
SOURCES: U.S. Census Bureau; Arizona State Data Center; Central Arizona Association of Governments

Demographics

Maricopa's population has soared since the last national census in 2000. The 2010 Census count figured there are approximately 43,500 residents in the community.

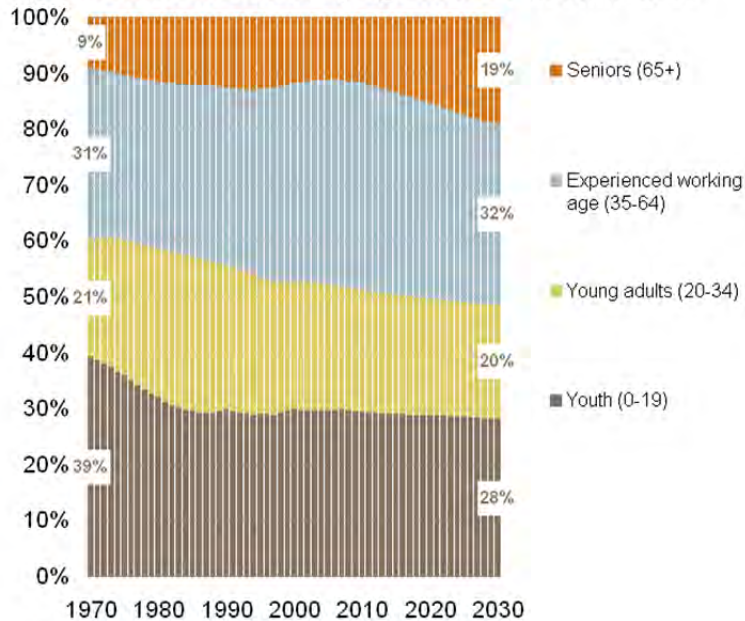
A population forecast prepared by the Central Arizona Association of Governments and based on 2005 population levels projected Maricopa to have 34,000 residents by 2010, a level it has already surpassed. The CAAG forecast put Maricopa in the 50,000 range by 2016 and 100,000 by 2038.

Comparative population distribution by age



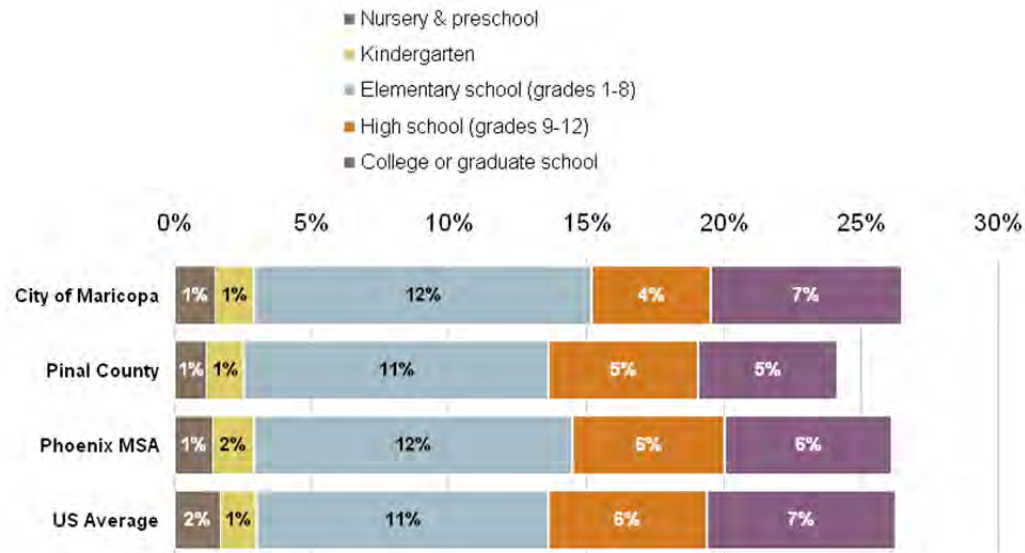
SOURCES: U.S. Census Bureau (American Community Survey, 2006-2008 average)

Population distribution by age in the Phoenix MSA



SOURCES: U.S. Census Bureau (history); Moody's Analytics (forecast)

Current enrollment status of the population



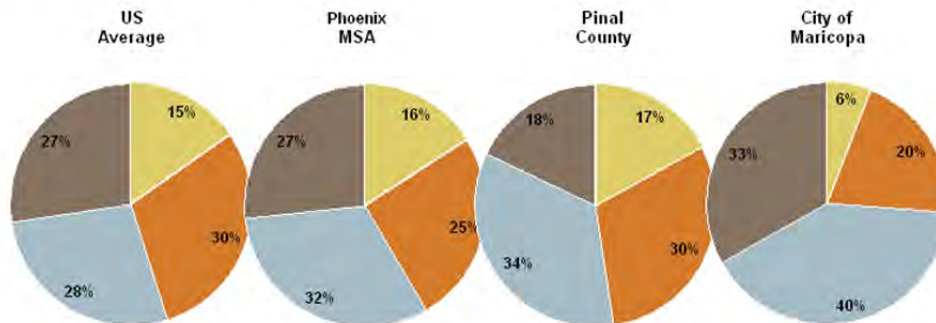
SOURCES: U.S. Census Bureau (American Community Survey, 2006-2008 average)

Educational attainment

Highest level of education achieved by the population age 25 or older

Legend:

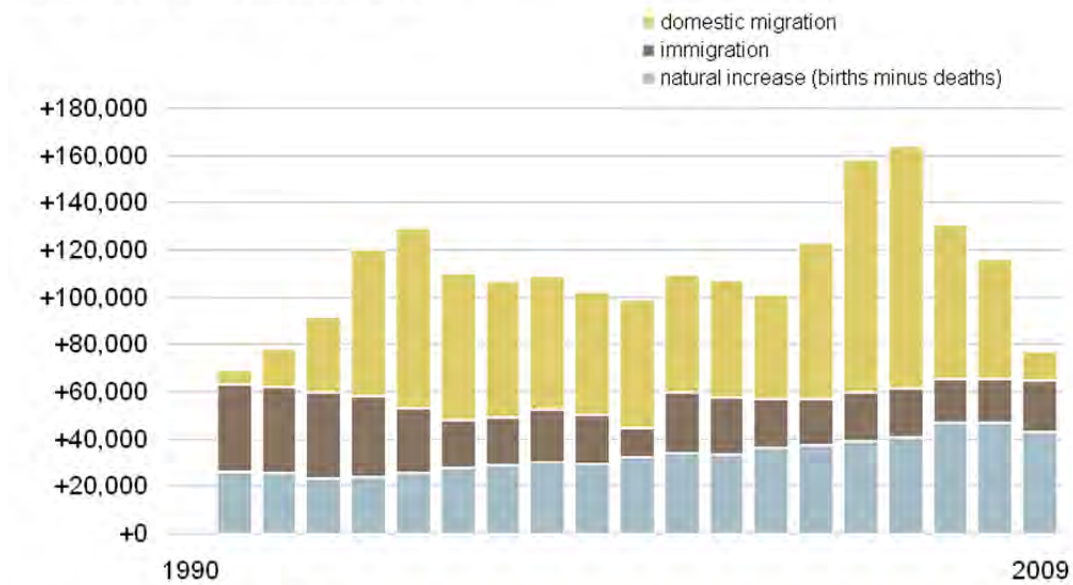
- no high school diploma
- high school diploma or GED
- some college but less than a 4-year degree
- bachelor's degree or higher



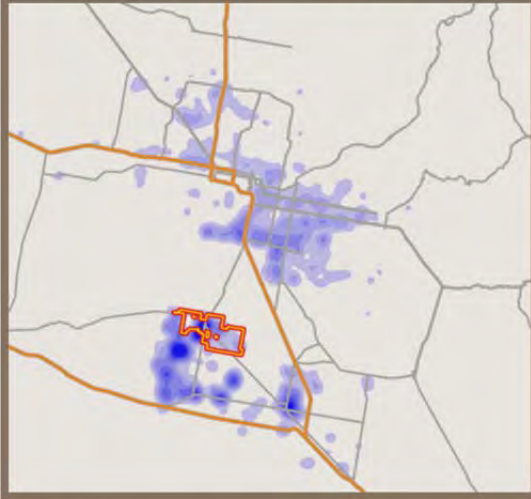
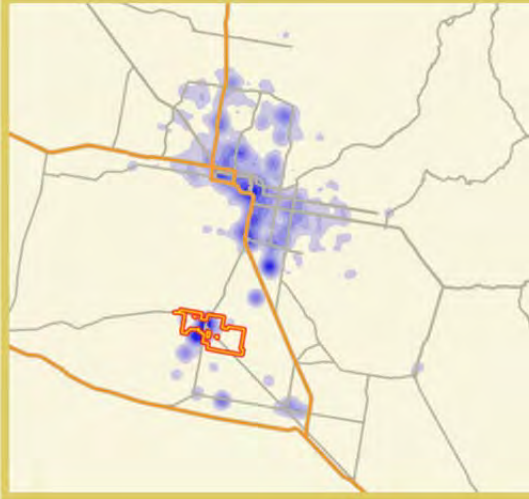
SOURCES: U.S. Census Bureau (American Community Survey, 2006-2008 average)

Components of growth in the Phoenix MSA

Net domestic in-migration dwindles



SOURCES: U.S. Bureau of the Census; Moody's Analytics

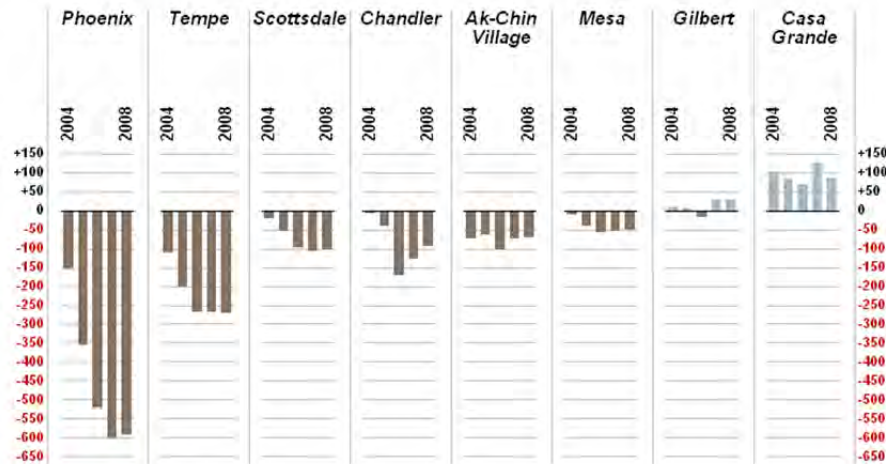
Labor shed (inbound)*Where workers live who commute into Maricopa***Commuter shed (outbound)***Where Maricopa residents work*

SOURCES: U.S. Bureau of the Census, Local Employment Dynamics (LED) database, 2008

Net daily commuter flow from the City of Maricopa to other cities

Net outbound flows to Maricopa County, inbound mostly from within Pinal County

Total net commuter: ■ inbound ■ outbound

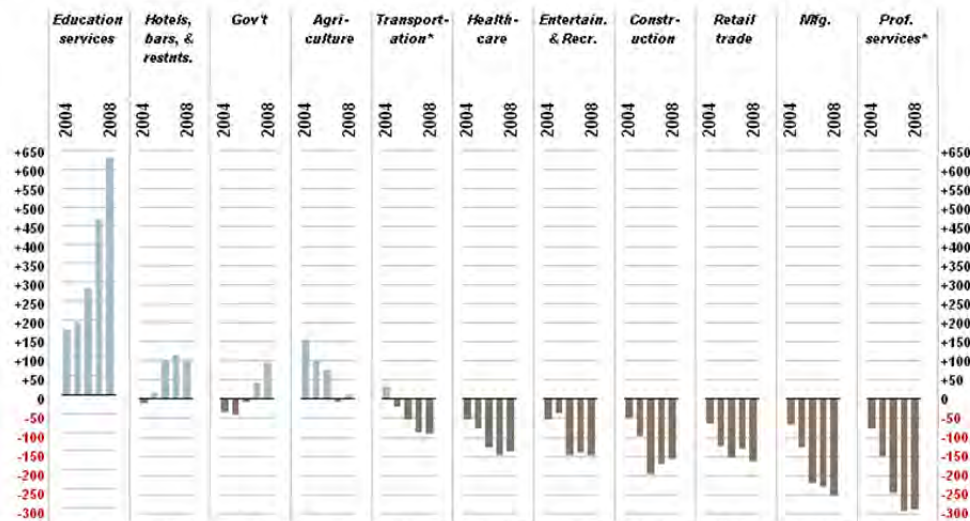


SOURCES: U.S. Bureau of the Census, Local Employment Dynamics (LED) database, 2004-2008

Net daily commuter flow from the City of Maricopa by economic sector

Net outbound flows to Maricopa County, inbound mostly from within Pinal County

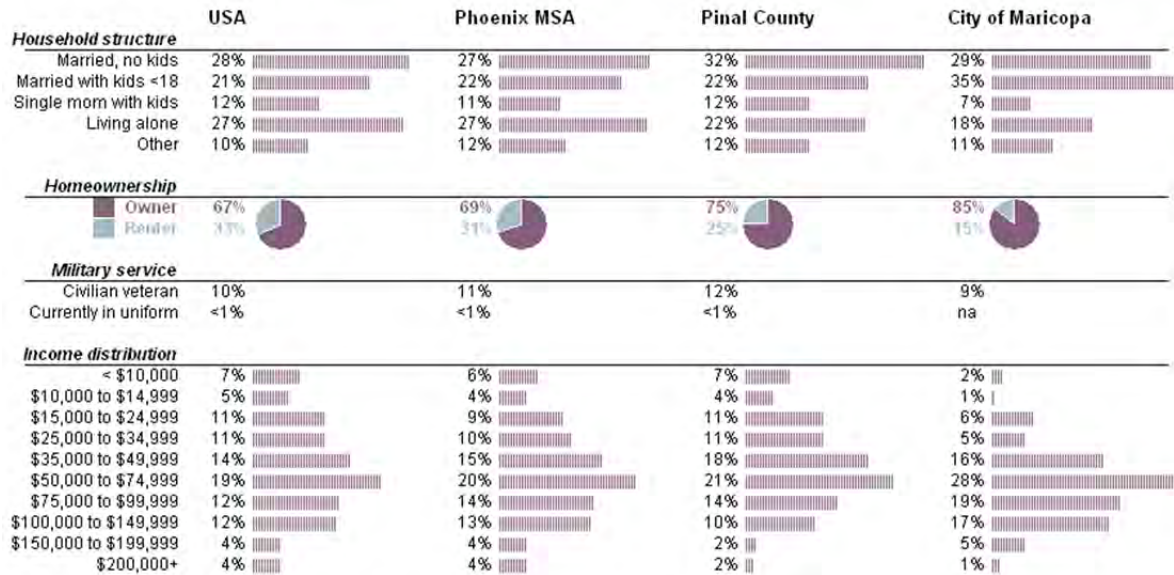
Total net commuter: ■ inbound ■ outbound



*NOTE: The transportation sector includes warehousing & wholesale trade; The professional services sector includes finance/insurance, real estate, IT, & corporate headquarters.

SOURCES: U.S. Bureau of the Census, Local Employment Dynamics (LED) database, 2004-2008

Household profile

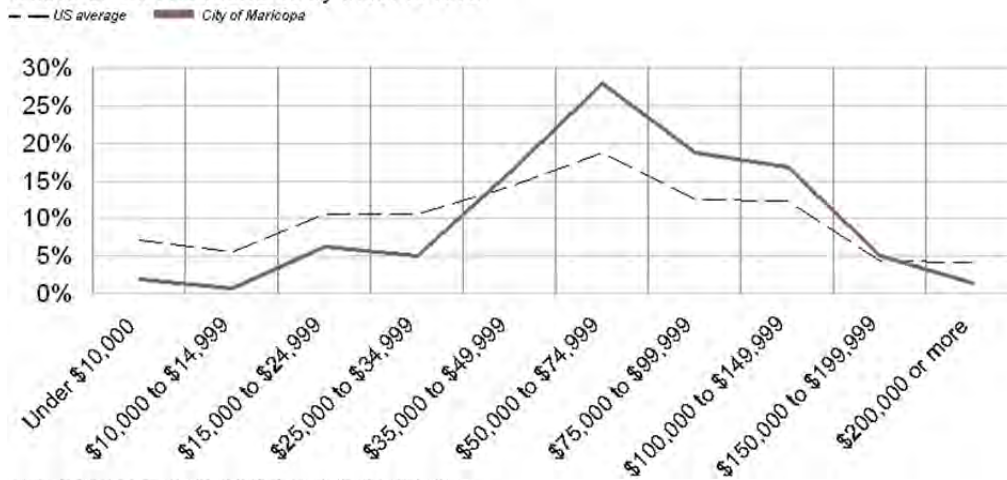


na = not available (data suppressed due to small sample size)

SOURCES: U.S. Census Bureau (American Community Survey, 2006-2008 average)

Distribution of household income

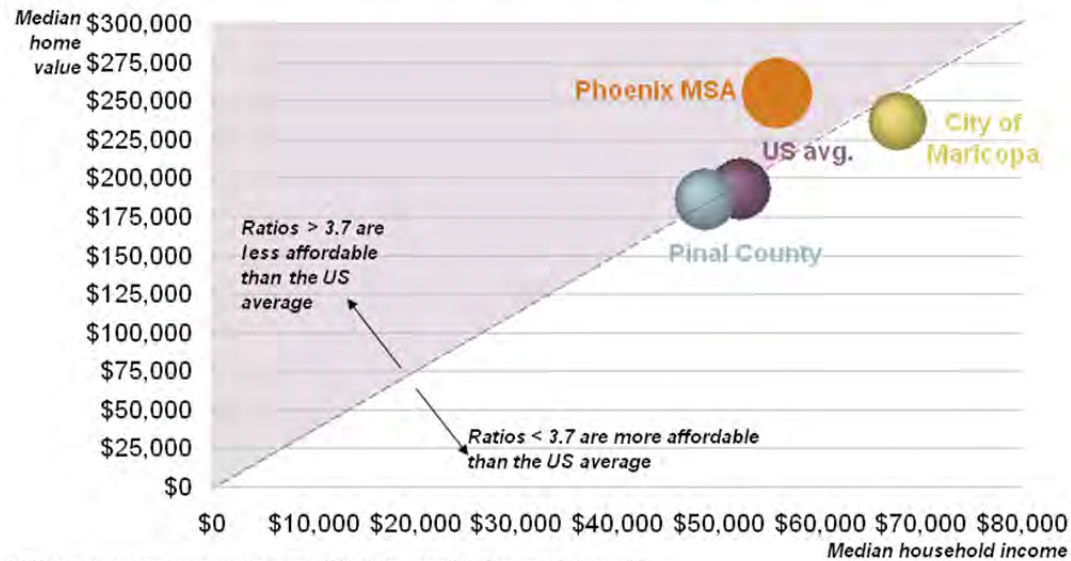
Share of total households by income level



SOURCES: U.S. Census Bureau (American Community Survey, 2006-2008 average)

Housing affordability ratios

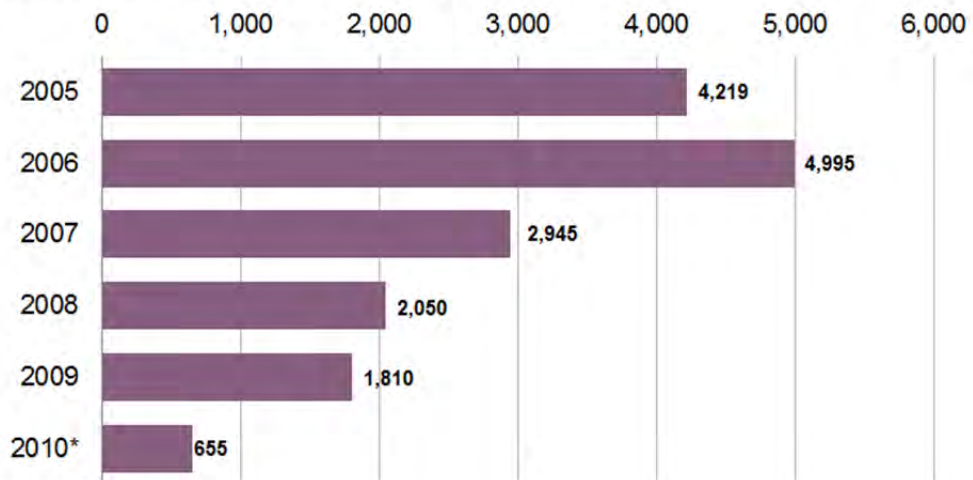
City's housing provides more bang for the buck than the Phoenix MSA overall



NOTE: Bubble sizes reflect relative affordability: Phoenix MSA (4.6), Pinal County (3.8), US average (3.7), Maricopa (3.5)

SOURCES: U.S. Census Bureau (American Community Survey, 2006-2008 average)

New homes in the City of Maricopa



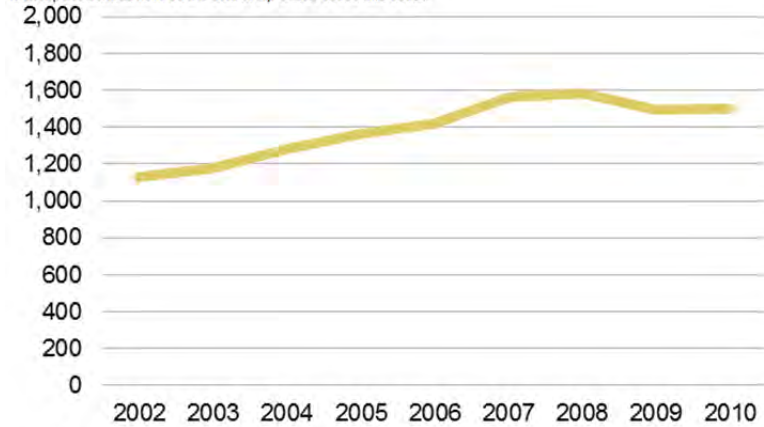
NOTE: 2010 data is through the Third Quarter only.

SOURCE: Arizona State University

Maricopa's job base

The trend in net job growth since 2002

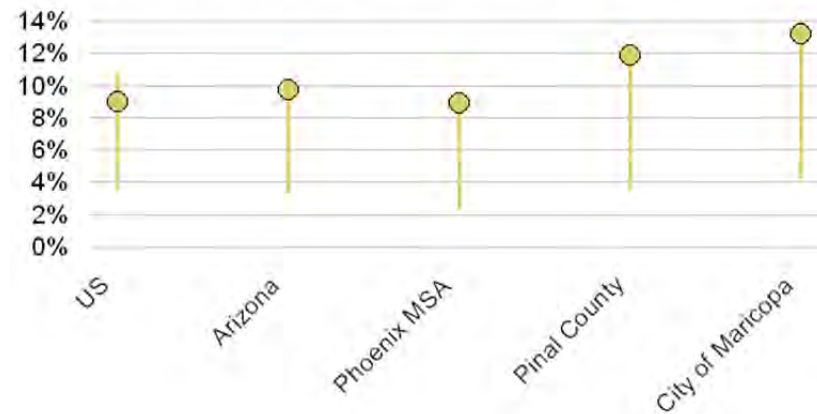
Maricopa is defined here as the sum of zip codes 85138 and 85139



SOURCES: EMSI Complete Employment - 4th Quarter 2010

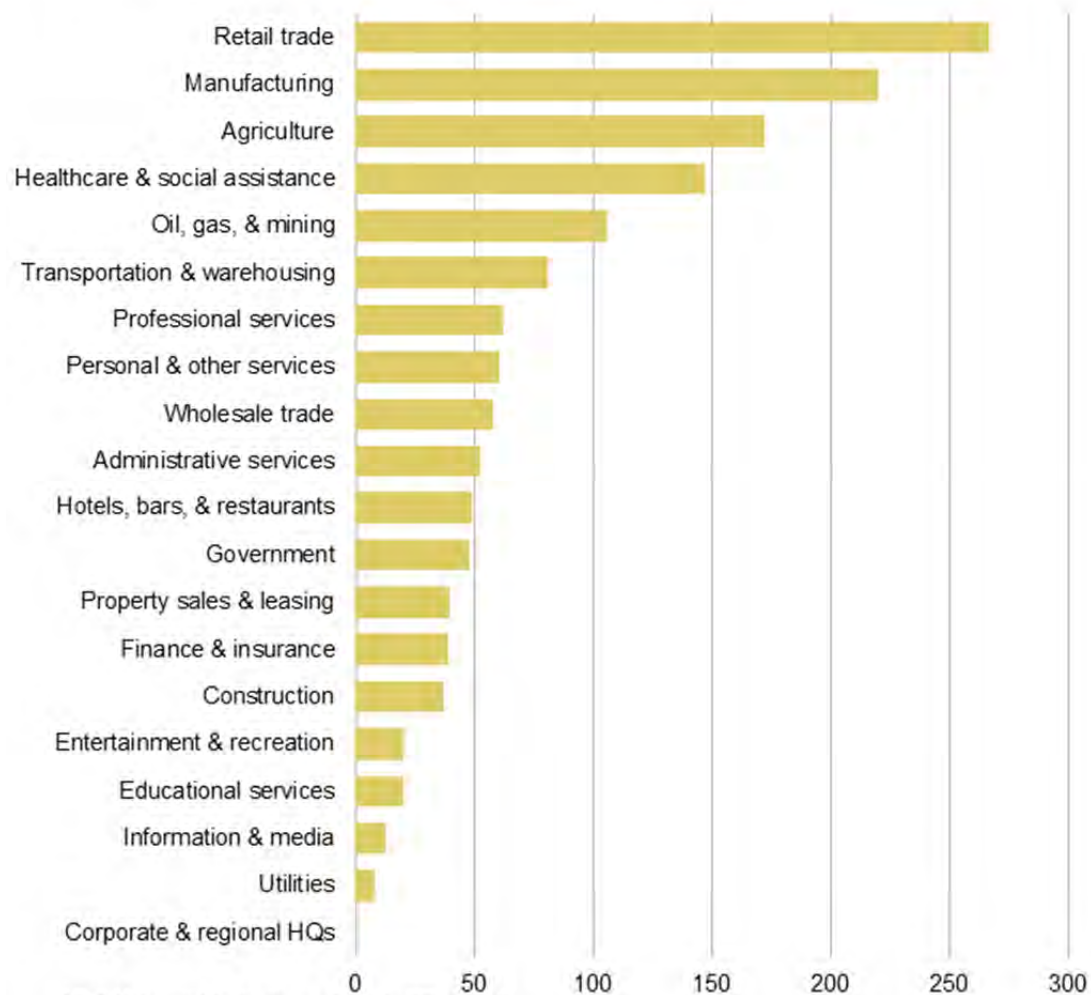
Average annual unemployment rate, 1990-2010 (%)

*Latest 2010 unemployment rate relative to the historical 20-year range**



*NOTE: Data for the City of Maricopa available only from January 2000 forward; all other data points from January 1990 forward
SOURCES: U.S. Bureau of Labor Statistics, LAUS program, based on monthly rates since January 1990, not seasonally adjusted

Maricopa's job base by industry sector



NOTE: Maricopa is defined as the sum of zip codes 85138 and 85139

SOURCES: EMSI Complete Employment - 4th Quarter 2010

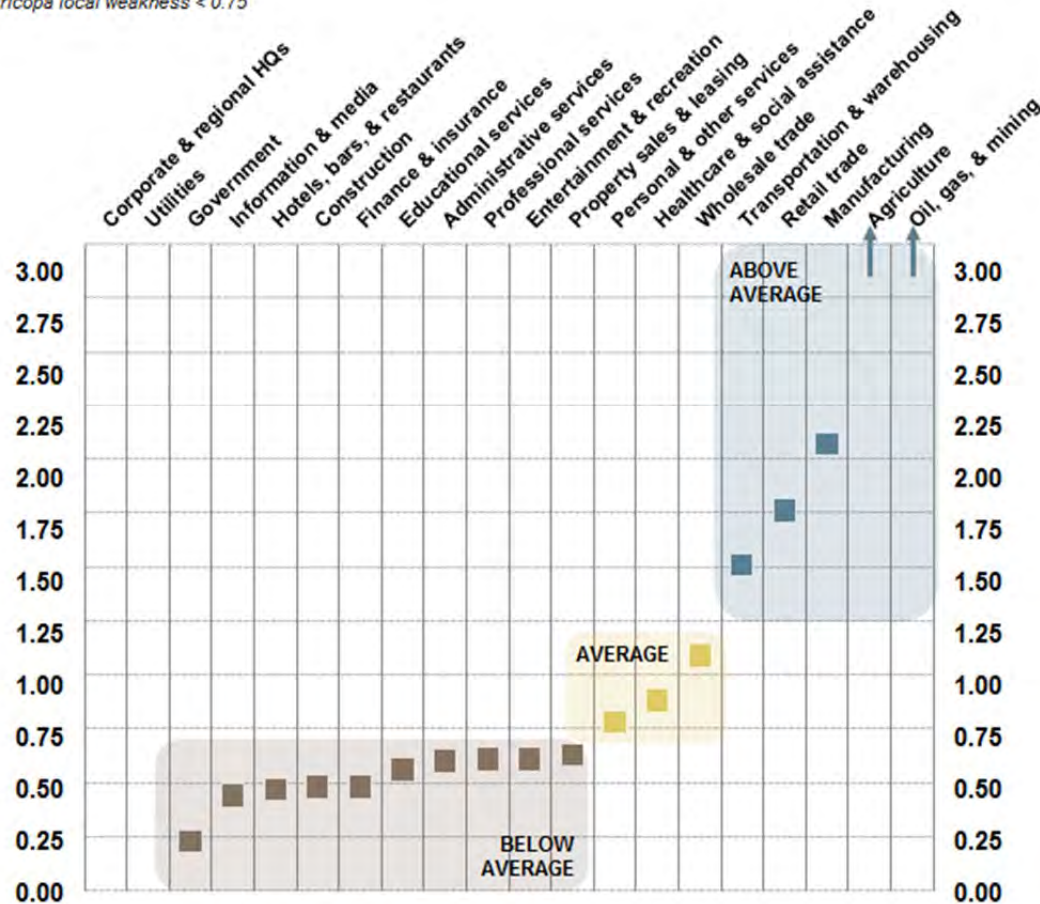
City's industry sector concentrations relative to the US

Location quotient (LQ) analysis, 2010

US average for each industry = 1.00

Maricopa local strength > 1.25

Maricopa local weakness < 0.75



NOTE: Maricopa is defined as the sum of zip codes 85138 and 85139

SOURCES: EMSI Complete Employment - 4th Quarter 2010

Local economy (cont'd)

Several sectors, including oil/gas/mining, agriculture, manufacturing, retail, and transportation, post high location quotients in Maricopa.

The location quotients for these five sectors are so high, in fact, that they offset several other sectors, pushing them from average to below-average.

Understanding LQs

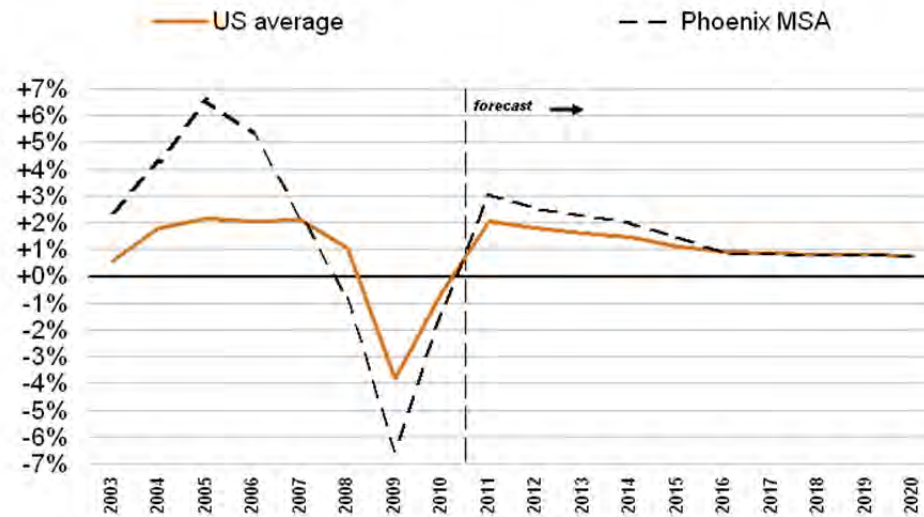
A location quotient (LQ) is calculated as a local sector's share of total local employment divided by the same sector's share of employment at the national level:

$$LQ = \frac{\text{Local jobs in sector} / \text{Total local jobs}}{\text{U.S. jobs in sector} / \text{Total U.S. jobs}}$$

If the local and national sectors are perfectly proportional, the location quotient will be 1.00. If a sector is heavily concentrated at the local level, then the location quotient will be higher than 1.00. Conversely, if the sector is sparsely concentrated at the local level, the location quotient will be lower than 1.00.

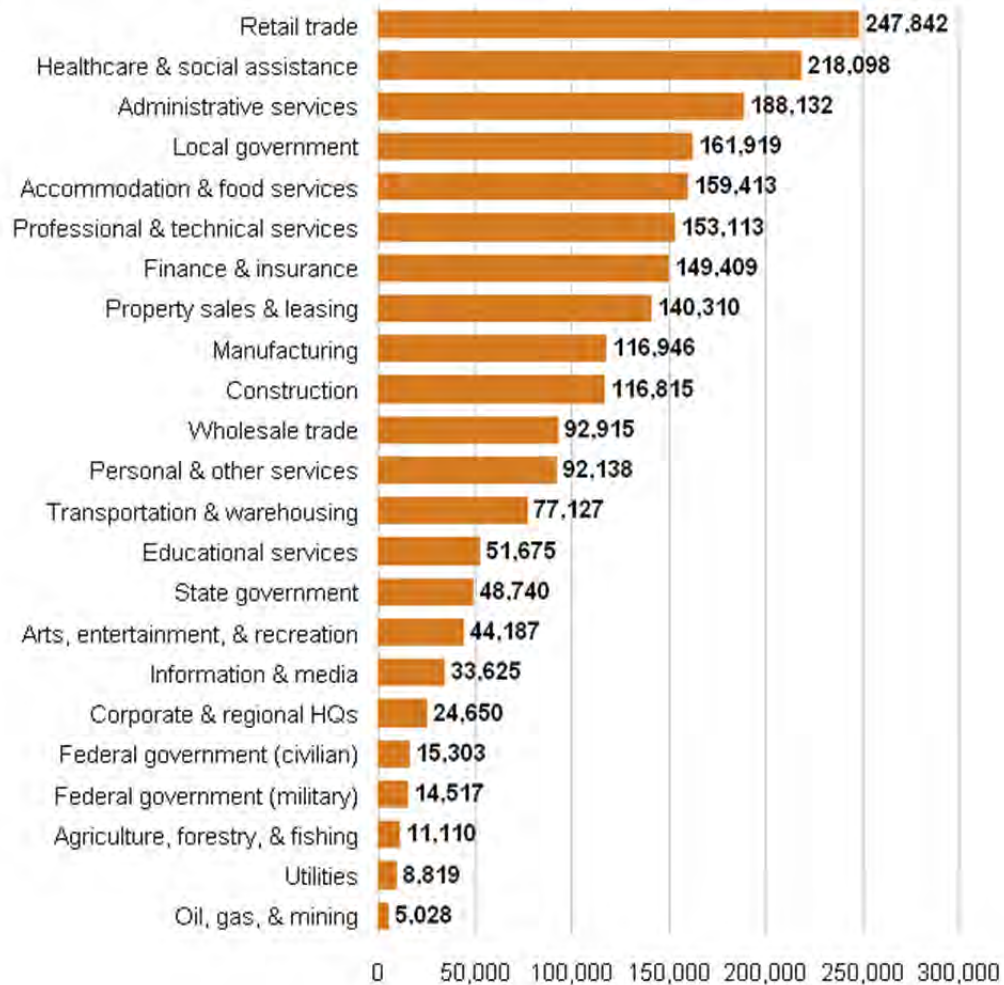
The outlook for jobs : 2 converging scenarios

Employment growth history (2003-2009) and forecast (2010-2020)



SOURCES: EMSI Complete Employment - 3rd Quarter 2010

Phoenix MSA 2010 job base by industry sector



SOURCES: EMSI Complete Employment - 3rd Quarter 2010

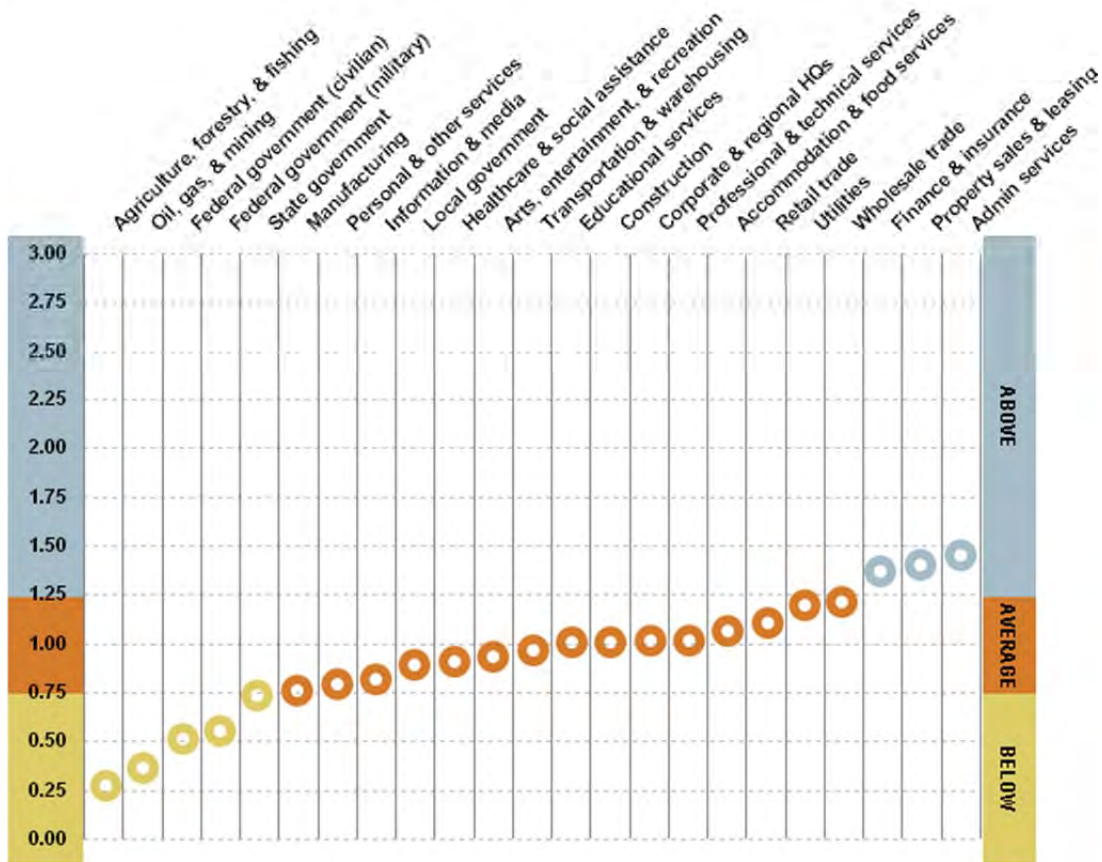
Phoenix MSA industry sector strengths relative to the US

Location quotient analysis

US average for each industry = 1.00

MSA strength > 1.25

MSA weakness < 0.75

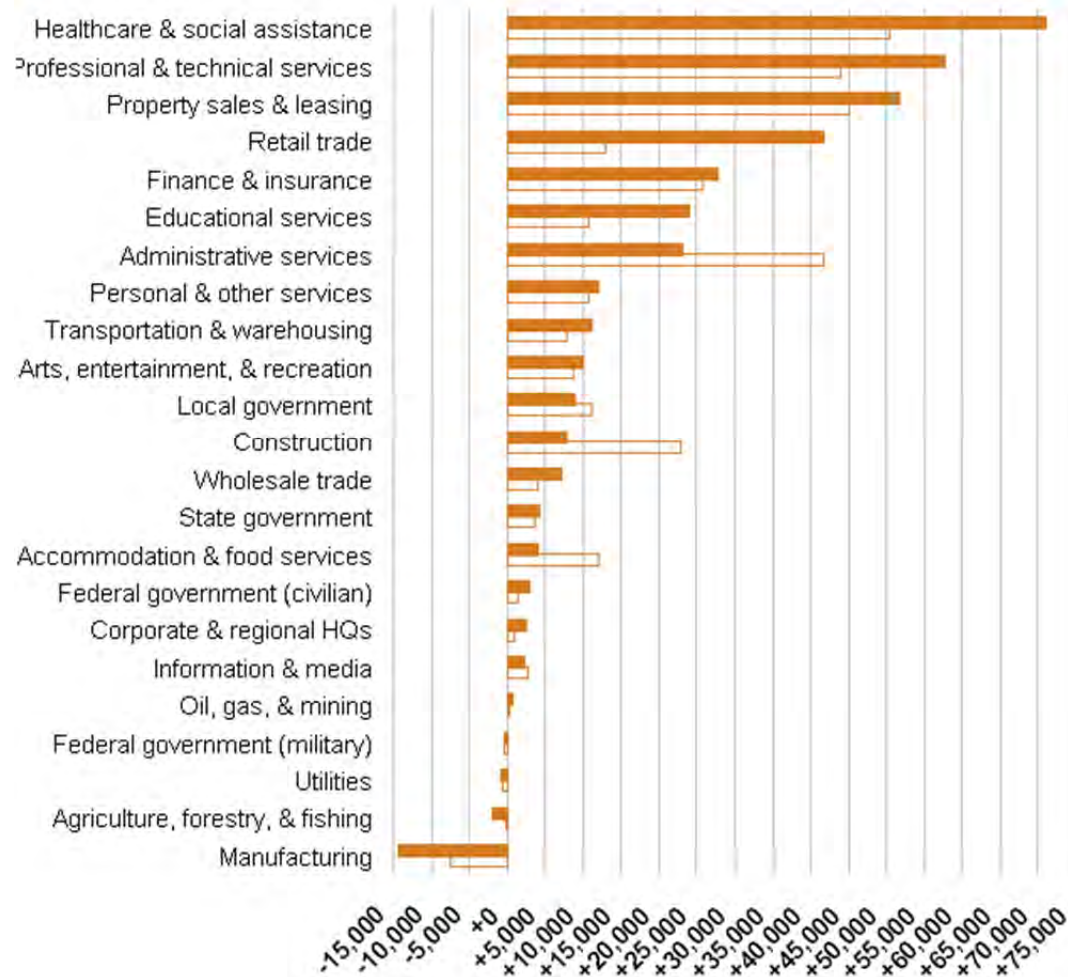


SOURCES: EMSI Complete Employment - 3rd Quarter 2010

Industry sector scenarios, 2010 to 2020

Phoenix MSA's growth under two different assumptions

■ MSA's growth assuming local patterns continue as in the recent past □ US forecast conditions (national growth rates)

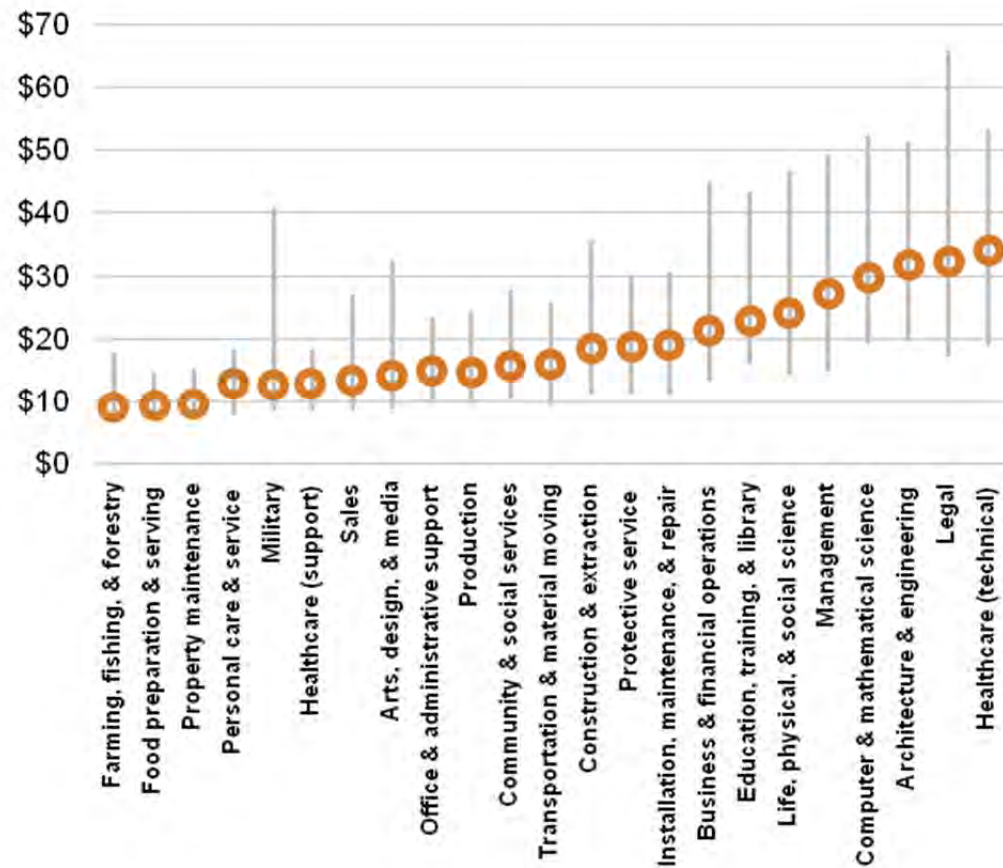


SOURCES: EMSI Complete Employment - 3rd Quarter 2010

Median hourly wage rate by occupational group

MSA median wage presented in the context of the national wage range

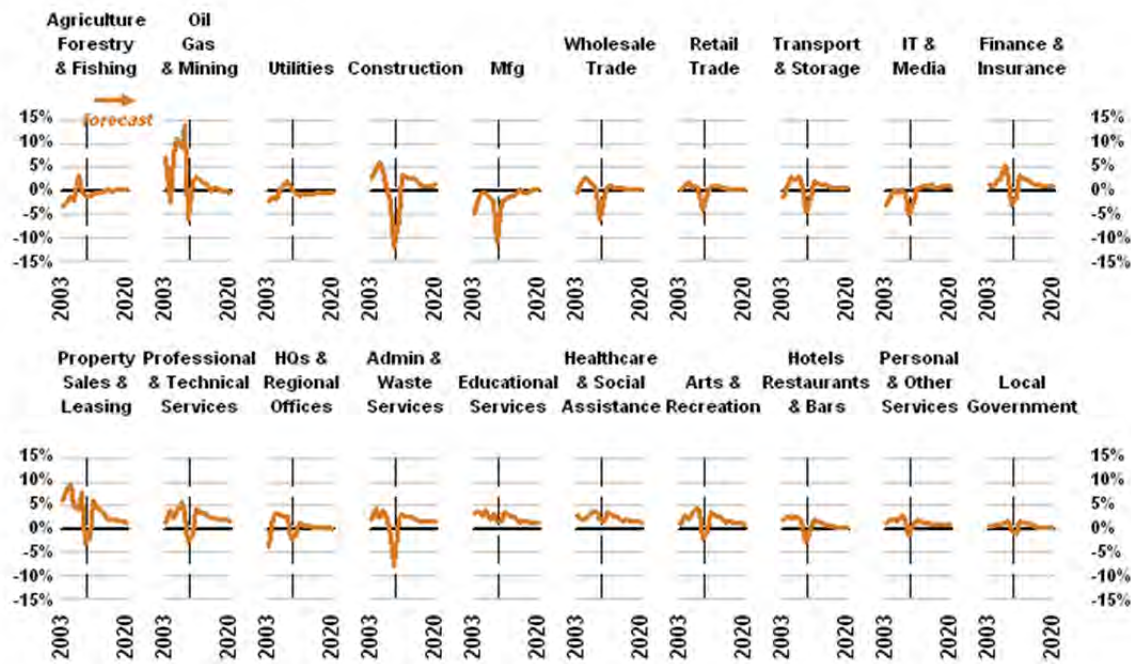
Circle represents the MSA median; line represents the national range between the 10th and 90th percentiles



SOURCES: EMSI Complete Employment - 3rd Quarter 2010

US outlook by economic sector

National job growth history (2003-2010) and forecast (2011-2020)



SOURCES: EMSI Complete Employment - 3rd Quarter 2010

Benchmark comparisons

The following benchmarks were selected for their ability to compare Maricopa to similar communities within the region and around the nation. All but Casa Grande could be described as suburbs, which have experienced explosive population growth during the last decade.

- CASA GRANDE, AZ >> Casa Grande was included within the comparisons due to its proximity to Maricopa and its importance as a contributor to the community's labor pool. Moreover, Casa Grande serves as a useful benchmark due to its demographics being more reflective of Pinal County as a whole. By comparison, the data reveal that socioeconomic conditions in Maricopa place the community well above the rest of the county.
- BEAUMONT, CA >> Similar to Maricopa in that it is a far-flung exurb, located approximately 25 miles to the southeast of San Bernardino in Southern California.
- BUCKEYE, AZ >> Located on the western reaches of the Valley of the Sun, Buckeye was selected due to its similar growth curve as Maricopa. It was also seen to be a useful peer for Maricopa within the greater Phoenix region.
- KYLE, TX >> A suburb located 22 miles south of Austin, Kyle has been one of the fastest growing communities in Texas. It was selected due to its similar demographics and current lack of employment base.

Benchmark selection

Cities with attributes similar to Maricopa

		Maricopa	Casa Grande	Buckeye	Beaumont	Kyle
geography	State	AZ	AZ	AZ	CA	TX
	County	Pinal	Pinal	Maricopa	Riverside	Hays
	MSA	Phoenix	Phoenix	Phoenix	Los Angeles	Austin
	Land area sq miles	45.0	109.0	375.0	26.0	58.0
	Greenfield / urban fringe location	✓	✓	✓	✓	✓
people	Population 2009	44,691	43,878	51,735	33,523	28,543
	Population density persons per sq. mile	993	403	138	1,289	492
	Double-digit population growth	✓	✓	✓	✓	✓
economy	Jobs 2008	1,887	13,924	5,244	4,347	1,949
	Satellite employment center	✗	✓	✗	✗	✗
	Job growth potential	✓	✓	✓	✓	✓
	Outlook for 10-year horizon	✓	✓	✓	✓	✓

SOURCES: TIP Strategies; U.S. Census Bureau; municipal websites

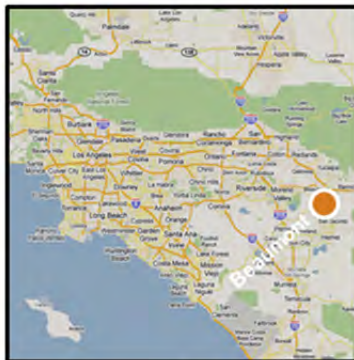
Benchmarks within their MSAs

Where the cities are located



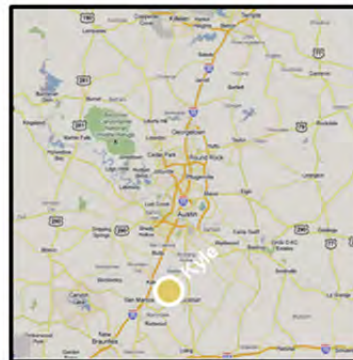
**Phoenix-Mesa-Scottsdale
MSA**

4.4 million



**Los Angeles-Long Beach-
Riverside CSA**

17.8 million



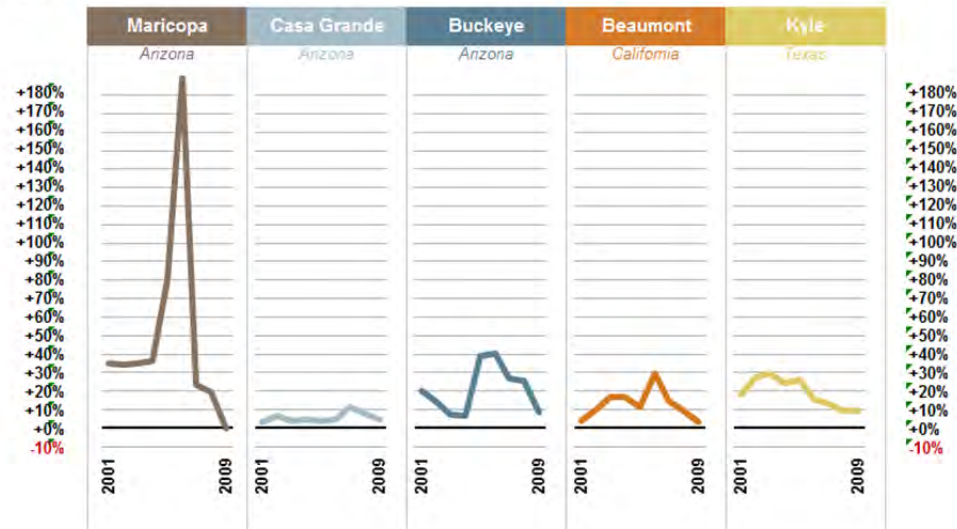
**Austin-Round Rock
MSA**

1.7 million

SOURCES: TIP Strategies; U.S. Census Bureau (Intercensal Estimates Program, 2009); Mapquest

Population growth

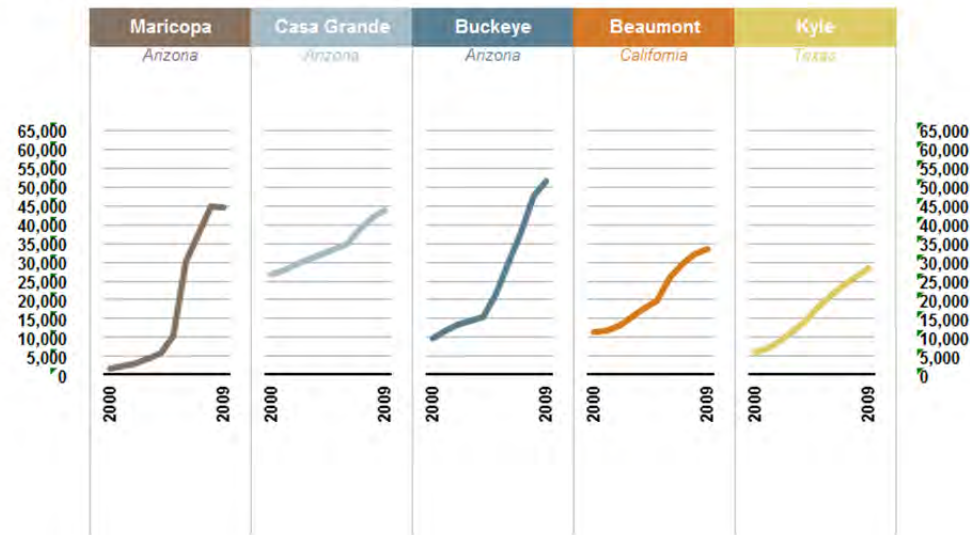
City population growth relative to the national average



SOURCE: U.S. Census Bureau (Decennial Census, Interdecennial Estimates Program); TIP Strategies, Inc.

Population

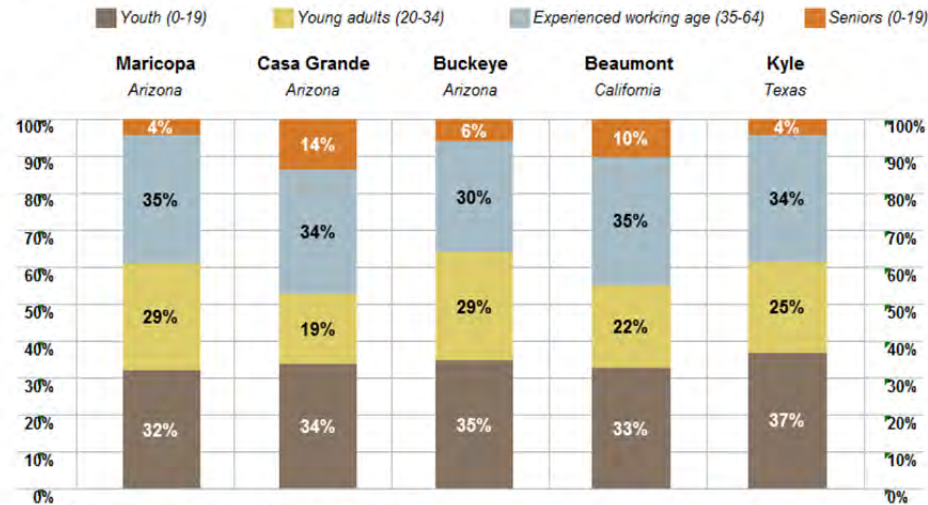
Maricopa relative to the benchmarks



SOURCE: U.S. Census Bureau (Decennial Census, Interdecennial Estimates Program); TIP Strategies, Inc.

Population distribution by age

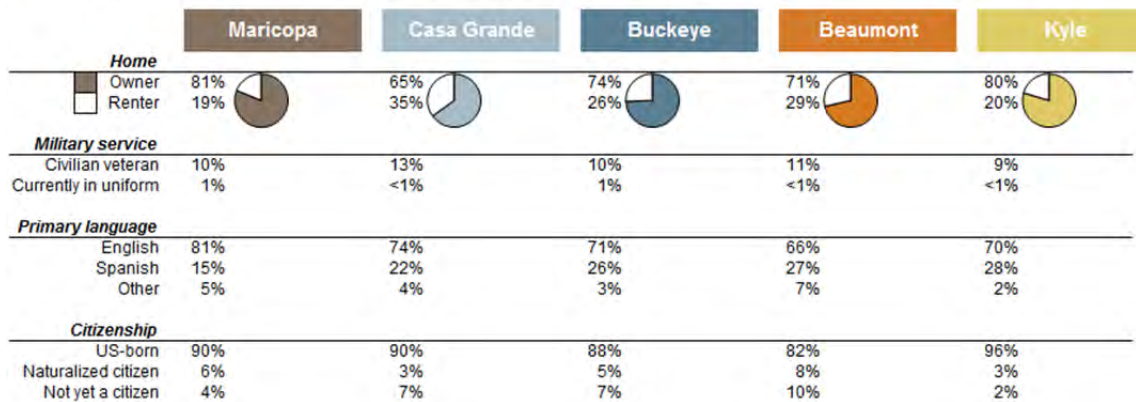
Maricopa relative to the benchmarks



SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)

Demographic comparison

Homeownership, military service, language, & citizenship

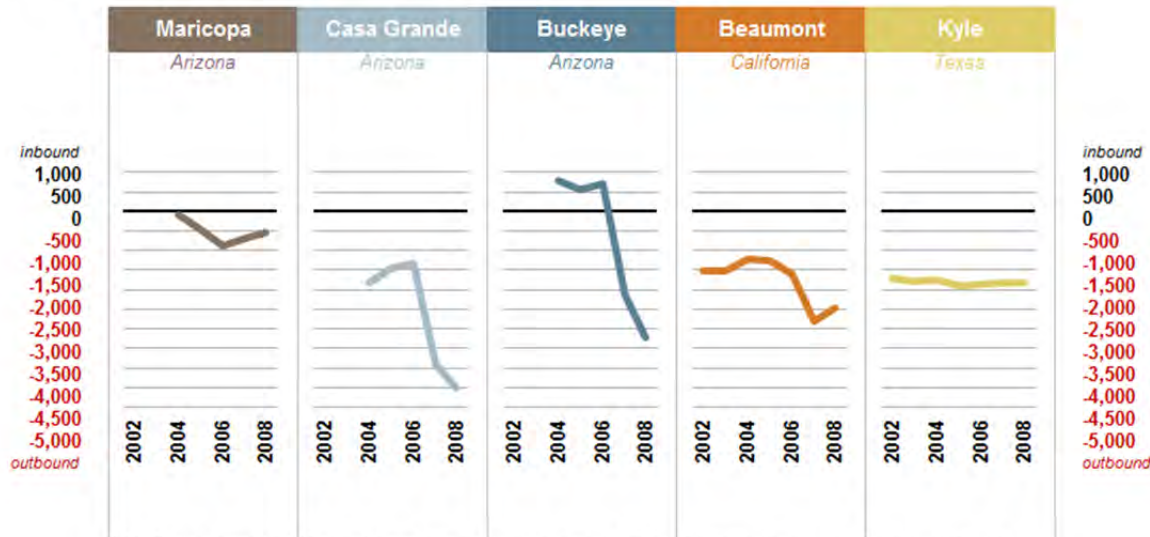


NOTE: "Military service" is calculated on the population age 18 or older

SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)

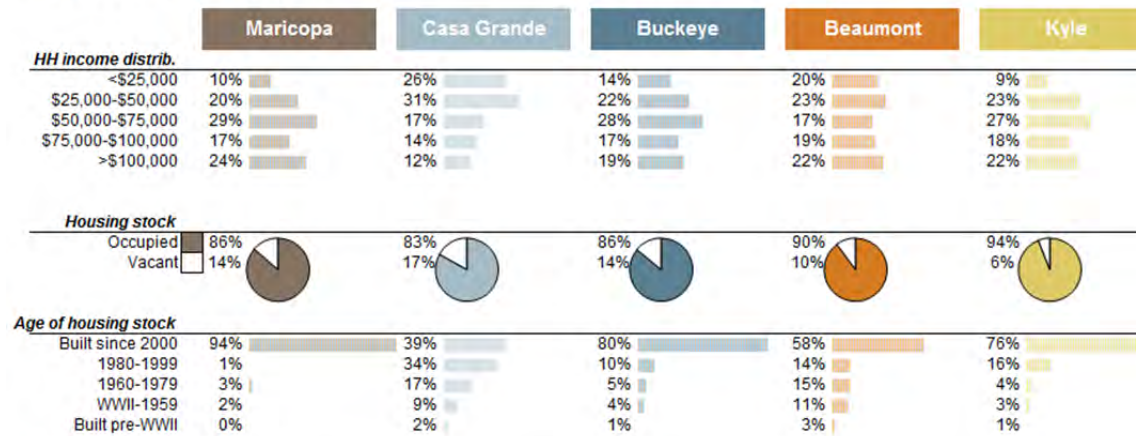
Net commuting patterns in recent years

Maricopa relative to the benchmarks



SOURCE: U.S. Census Bureau (Decennial Census; Intercensal Estimates Program; and Local Employment Dynamics Origin-Destination Database)

Household comparison

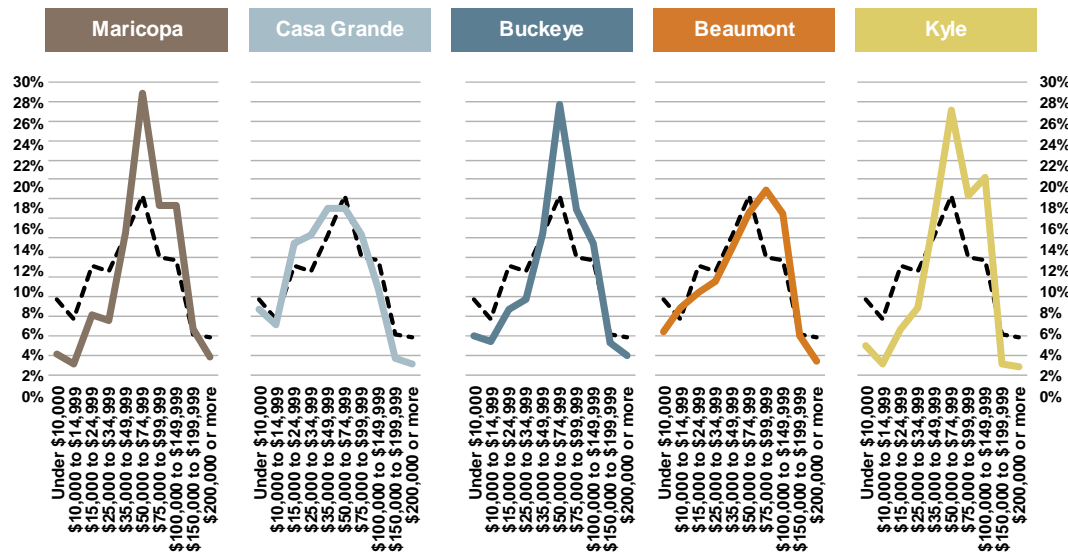


SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)

Distribution of income by household

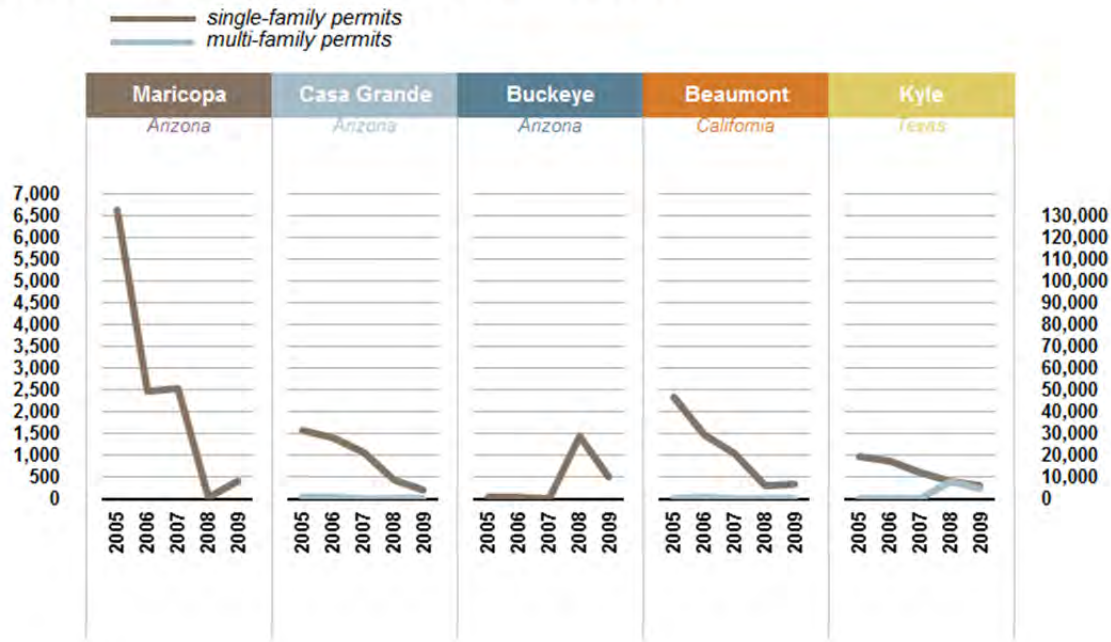
--- US average

— Maricopa and the benchmark cities



SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)

Residential units approved for construction



SOURCE: U.S. Census Bureau

Commercial real estate markets

Current local conditions in the relevant submarkets that encompass the benchmark cities

All data reflect 2010 Q3

OFFICE	City	Metropolitan Submarket	PRICES Rent per SF/year	VACANCY %	AVAILABILITY Vacant SF
	Maricopa	Southeast Valley	\$21.46	30.4%	3,204,327
	Casa Grande	Southeast Valley	\$21.46	30.4%	3,204,327
	Buckeye	West Phoenix	\$23.13	38.2%	951,080
	Beaumont	Inland Empire	\$21.48	28.5%	6,979,620
	Kyle	South	\$22.00	25.6%	438,445

INDUSTRIAL	City	Metropolitan Submarket	PRICES Rent per SF/year	VACANCY %	AVAILABILITY Vacant SF
	Maricopa	Southeast	\$8.40	18.5%	15,460,719
	Casa Grande	Southeast	\$8.40	18.5%	15,460,719
	Buckeye	Southwest	\$3.84	19.4%	17,382,613
	Beaumont	Inland Empire East	\$3.96	18.4%	27,807,449
	Kyle	Hays County	\$5.40	26.0%	147,043

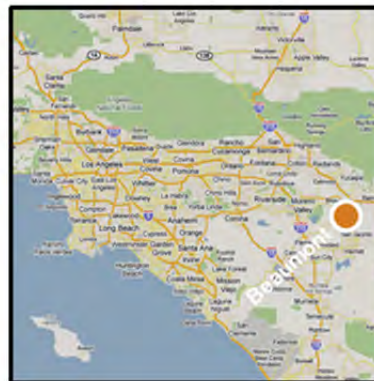
*NOTE: All data reflect the submarket rather than the individual city. Submarkets are defined by local brokers with geographic boundaries that include large sections of counties or metropolitan areas.

SOURCES: CB Richard Ellis, 2010 Q3

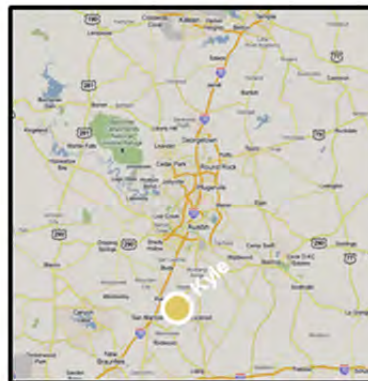
PHOENIX



LOS ANGELES

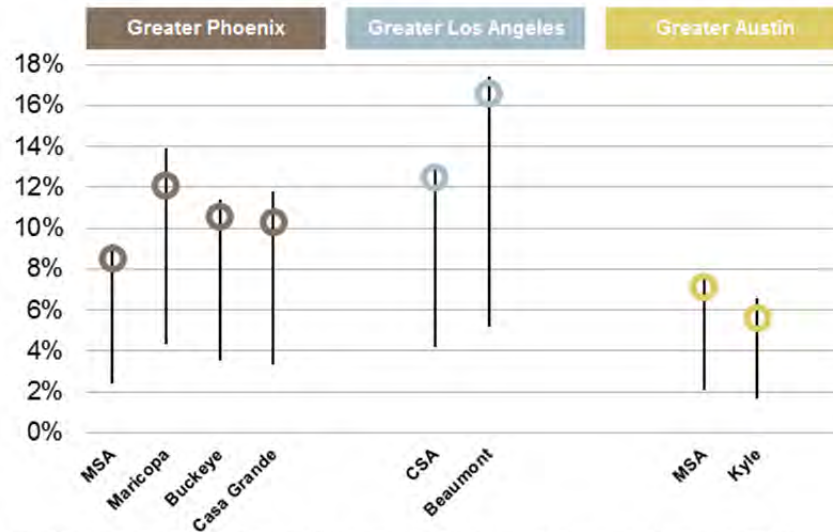


AUSTIN



Comparative unemployment

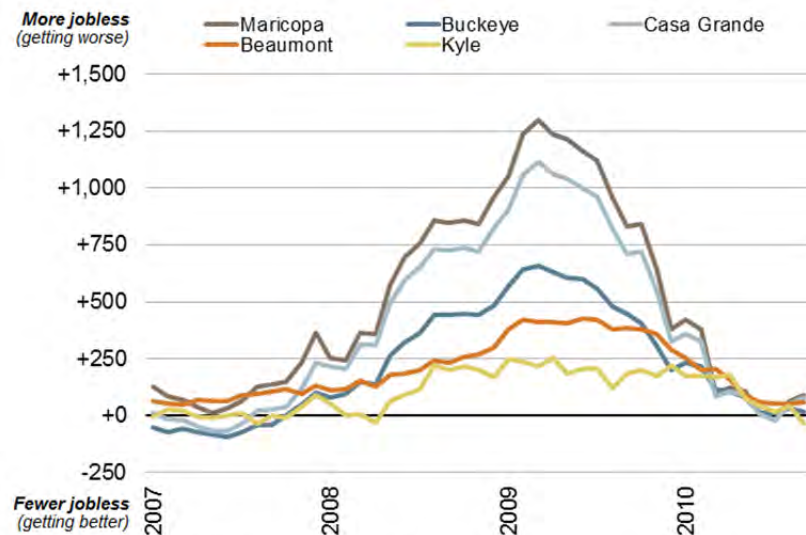
Latest unemployment rate in the context of the historical 20-year range*



*NOTE: All data from January 1990 through November 2010, not seasonally adjusted; Phoenix and Austin are metropolitan statistical areas (MSAs); Los Angeles is a consolidated metropolitan area (CSA).
SOURCES: U.S. Bureau of Labor Statistics, LAUS series

Change in the number of unemployed residents by city

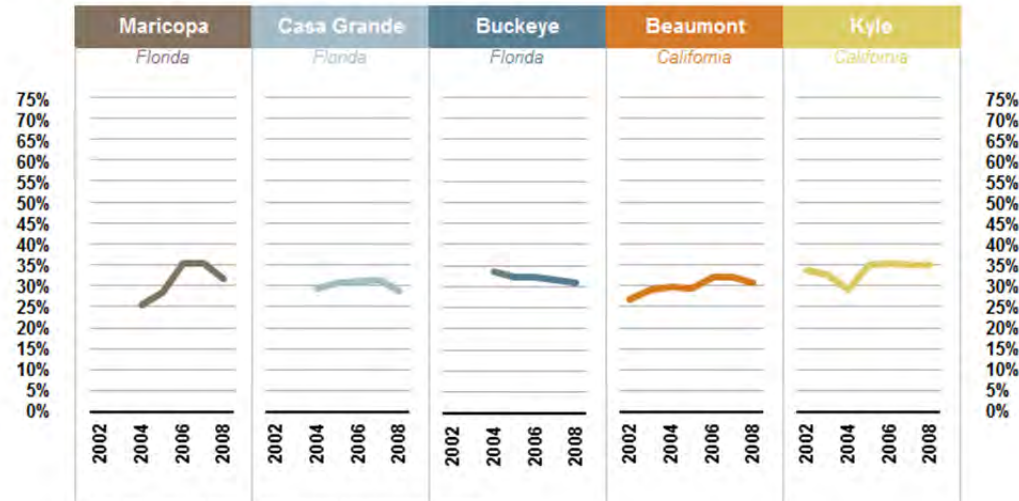
Rolling 12-month change since 2007*



*NOTE: presented as a 12-month rolling change because data not seasonally adjusted
SOURCES: U.S. Bureau of Labor Statistics, LAUS series

Share of jobs* staffed by persons under the age of 30

Maricopa relative to the benchmarks

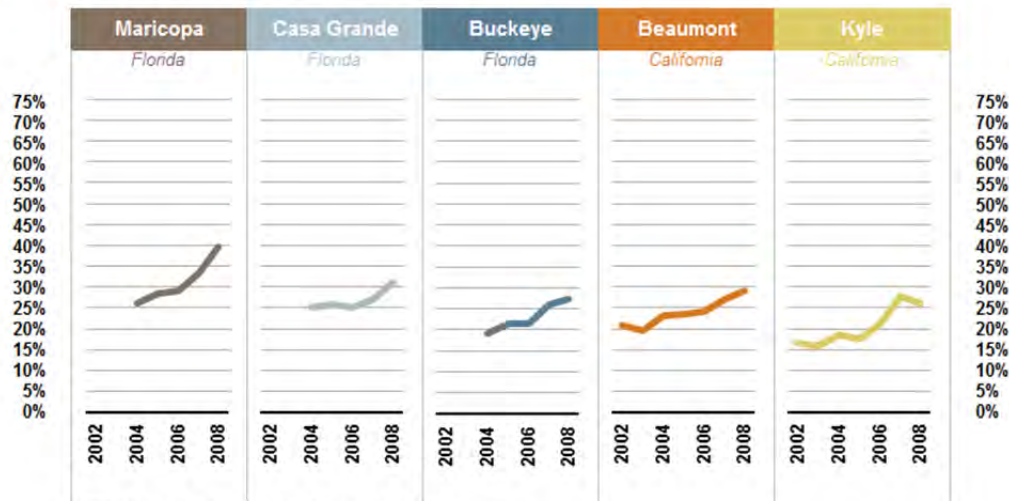


NOTE: Jobs based on place-of-work location, not on household location

SOURCE: U.S. Census Bureau (Local Employment Dynamics Origin-Destination Database)

Share of jobs* paying more than \$40,000/year

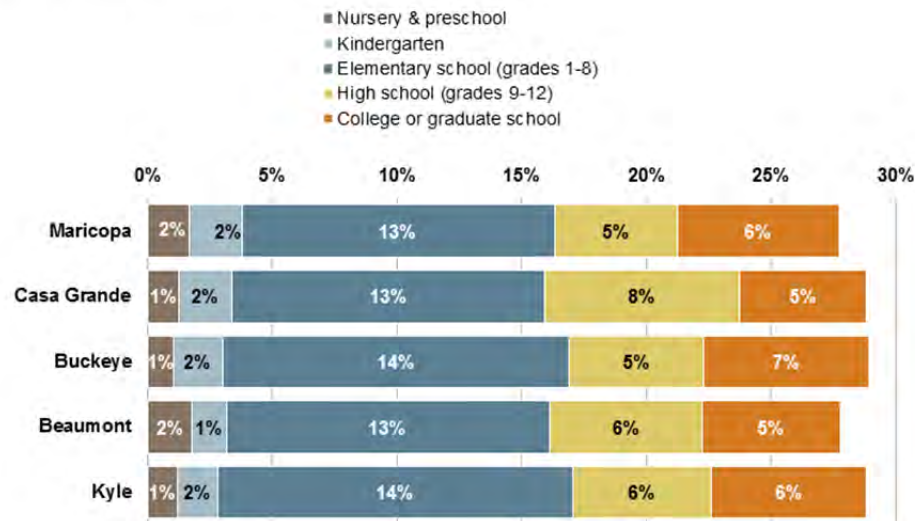
Maricopa relative to the benchmarks



NOTE: Jobs based on place-of-work location, not on household location

SOURCE: U.S. Census Bureau (Local Employment Dynamics Origin-Destination Database)

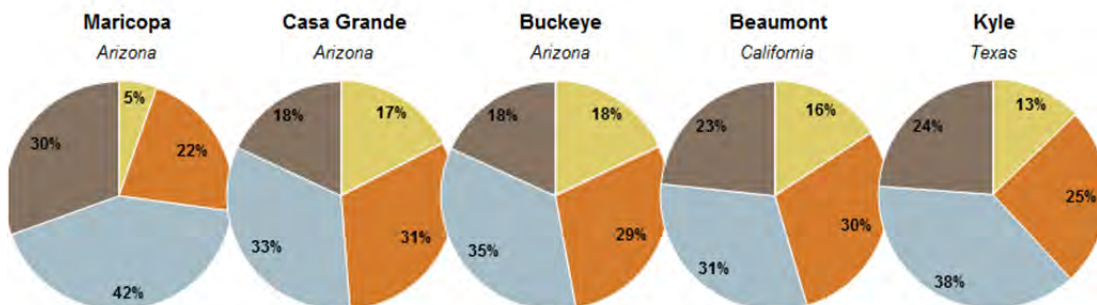
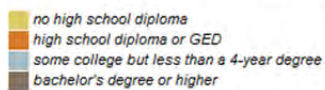
Current enrollment status of the population



SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)

Educational attainment

Highest level of education achieved by the population age 25 or older

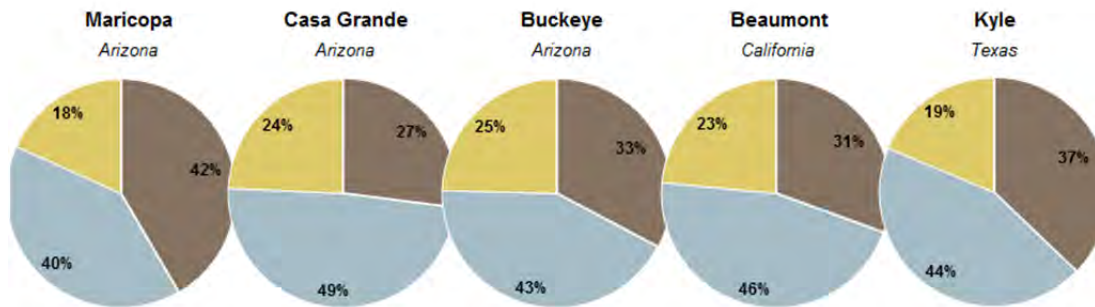


SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)

Occupational composition of residents

Type of jobs held by each city's employed residents

Managers & professionals
Sales, administrative, & personal services
Industrial & blue collar



*NOTE: industrial occupations as defined here includes construction, extraction, production, transportation, material moving, agriculture, repair services, and maintenance
SOURCES: U.S. Census Bureau (American Community Survey, 2005-2009 average)